

THE PRESIDENT'S FISCAL YEAR 2011 BUDGET
REQUEST FOR THE DEPARTMENT OF HOME-
LAND SECURITY

HEARING
BEFORE THE
COMMITTEE ON HOMELAND SECURITY
HOUSE OF REPRESENTATIVES
ONE HUNDRED ELEVENTH CONGRESS

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CONTENTS

	Page
STATEMENTS	
The Honorable Bennie G. Thompson, a Representative in Congress From the State of Mississippi, and Chairman, Committee on Homeland Security ..	1
The Honorable Peter T. King, a Representative in Congress From the State of New York, and Ranking Member, Committee on Homeland Security	2
The Honorable Laura Richardson, a Representative in Congress From the State of California: Prepared Statement	5
WITNESSES	
The Honorable Janet Napolitano, Secretary, Department of Homeland Security: Oral Statement	6
Prepared Statement	8
FOR THE RECORD	
The Honorable Mark E. Souder, a Representative in Congress From the State of Indiana: Slides	36
The Honorable Mike Rogers, a Representative in Congress From the State of Alabama: Letter to Honorable Janet Napolitano, February 12, 2010	42
Letter to Honorable Nancy Pelosi, February 16, 2010	45
APPENDIX	
Questions Submitted by Chairman Bennie G. Thompson	77
Question Submitted by Honorable Henry Cuellar	88
Questions Submitted by Honorable Christopher P. Carney	89
Questions Submitted by Honorable Laura Richardson	90
Questions Submitted by Honorable Bill L. Owens	92
Questions Submitted by Honorable Bill Pascrell, Jr.	93
Questions Submitted by Honorable Daniel E. Lungren	95
Questions Submitted by Honorable Mike Rogers	96
Questions Submitted by Honorable Michael T. McCaul	99

THE PRESIDENT'S FISCAL YEAR 2011 BUDGET REQUEST FOR THE DEPARTMENT OF HOMELAND SECURITY

Thursday, February 25, 2010

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON HOMELAND SECURITY,
WASHINGTON, DC.

The committee met, pursuant to call, at 2:07 p.m., in Room 311, Cannon House Office Building, Hon. Bennie G. Thompson [Chairman of the committee] presiding.

Present: Representatives Thompson, Harman, Lofgren, Jackson Lee, Cuellar, Carney, Clarke, Richardson, Kirkpatrick, Luján, Owens, Pascrell, Cleaver, Green, Titus, King, Smith, Souder, McCaul, Dent, Bilirakis, Broun, Miller, Olson, Cao, and Austria.

Chairman THOMPSON [presiding]. The Committee on Homeland Security will come to order. The committee is meeting today to receive testimony from Secretary Janet Napolitano on the President's fiscal year 2011 budget request for the Department of Homeland Security.

I want to thank Secretary Napolitano for being flexible about testifying in support of the President's fiscal year 2011 budget request for the Department of Homeland Security after back-to-back snowstorms forced us to postpone this hearing.

On February 1 President Obama requested just over \$56 billion for the Department of Homeland Security as part of his fiscal year 2011 budget request. Overall, under the President's proposal, the Department's budget is slated to increase by about 3 percent over last year's funding level. Given the current fiscal environment, the President is to be commended for showing an on-going commitment to enhancing our Nation's preparedness response and recovery capabilities.

The Department's mission, both homeland security and non-homeland security, requires a budget request that is far-reaching and impacts the security of Americans who travel by air, rail, and sea; the capacity of communities to be prepared for and respond to terrorism and other hazards, including the threat posed by dangerous criminal aliens; and the ability of our Nation and operators of critical infrastructure to find innovative approaches to foster resiliency in the face of an ever-evolving terrorist threats.

In reviewing this budget request, I am pleased to see that you tackle the issue of over-reliance on contractors and presenting a balanced workforce strategy. Since its inception in 2003, contractor dependence has stood in the way of DHS becoming the Federal agency that Congress envisioned and the American people deserve.

Madame Secretary, you are to be commended for taking on this challenge that for so many years went unaddressed by your predecessors and for setting a goal of converting 3,300 contractor positions to DHS positions by the end of the year. This is a step in the right direction. However, given that that the Department relies on more than 200,000 contractors to operate, a great deal more work will need to be done to ensure that DHS moves away from an over-reliance on contractors.

While I support the substance of most of this budget request, I do have some concerns. While I understand that reducing personnel at the U.S. Border Patrol and U.S. Coast Guard will bring short-term savings to the Department, I am concerned that years of knowledge and experience will be lost and that there may be a resulting reduction in DHS' resource and capabilities to fulfill all its missions.

I am also greatly concerned the budget seeks to consolidate a number of important free-standing grant programs into the State Homeland Security Grant Program. I worry that this consolidation will make it more difficult for local communities to receive much-needed funding. It also troubles me that for the second year in a row, the budget decreases funding for vital first responder grant programs just as State and local communities are struggling to maintain the capability gains that have been achieved in recent years.

I am particularly disappointed that Centers of Excellence and other university programs, including the Minority Serving Institutions Program that DHS has supported since DHS was established would be cut by nearly 20 percent under this budget.

One last area that I strongly believe was not well-served by this budget is maritime cargo screening. I find it incredulous that this budget decreases funding for international cargo screening programs by almost 48 percent. It is hard to believe that these programs, which got short-shifted by previous administrations, are being further downscaled under this budget when there has not been a single legislative proposal submitted to alter the statutory mandate on international cargo screening.

As you know, under the Implementing Recommendations of the 9/11 Commission Act, DHS is responsible for ensuring that 100 percent of the cargo that enters into the United States is scanned. I just do not see how moving the few DHS personnel that you have in the field, targeting cargo for screening, back to the United States gets you any closer to meeting the mandate.

That said, I look forward to working with you, Madame Secretary, to ensure that the Department has the resources it needs to execute all its missions, including to prevent and respond to the threat of terrorism.

Thank you, and I look forward to your testimony.

The Chairman now recognizes the Ranking Member of the full committee, the gentleman from New York, Mr. King, for an opening statement.

Mr. KING. Thank you, Mr. Chairman.

Thank you very much, Madame Secretary. We welcome you here this morning. I hope your ankle or your leg is doing better. It was not caused by any Republican, was it—the injury?

[Laughter.]

No? Okay.

But on a—seriously now, let me thank you for offering to meet with Republican Members of the committee on a regular basis. I think it will go a long way to resolving some issues that we have before they become major issues and also let us get the benefit of your thinking before we just read about it in the newspaper and draw wrong conclusions. So I thank you for it.

I think it is going to be very, very helpful to both sides. Also I think it will go a long way to continuing the bipartisan cooperation we have tried to have on this committee since the inception under both parties.

Madame Secretary, much has happened since you last testified before the committee last May. We had the Vinas case, which actually involved someone from Long Island, who was—his indictment and conviction were announced. He was captured in Afghanistan-Pakistan.

We had the Headley case involving Mumbai. We had the Zazi case in New York. We have had the Major Hasan case in Fort Hood. We had the Christmas Day bombing. We have the whole issue involving the trial of Khalid Shaikh Mohammed and where that is going to be held and under the conditions where it will be held.

So a lot has happened. Obviously, it shows that the threat is as real as it ever was—maybe worse in that it is morphing, or it is almost like mercury. As we go after it in one place, it moved somewhere else and adopts a different form.

So, obviously, your job is more significant and more important than ever, and the world is probably as dangerous, if not more dangerous—certainly, different types of danger from the same enemy, but different types of dangers, which is why there are several points I want to mention about your budget. I will follow up in questions. Other Members have various issues. I know Congressman Olson has a specific issue he is going to raise with you later.

But on the issue, for instance, as the threat is getting larger and changing more, I am very concerned that Secure the Cities has been zeroed out. While this primarily benefits New York, it also involved other cities. It could be a prototype for other cities, as money is going to be shared with other cities.

Just last month, I believe, on the House floor we adopted an authorization calling for continued funding of Secure the Cities, and on last year's budget there was nothing in there. The House passed legislation for \$40 million, came back from conference with \$20 million, but this year there is nothing in there, which to me it is wrong.

It is a mistake that is being made, and it involves not just New York, the entire tri-State region, and also, as I said, the money is available for other cities around the country. The system itself can be a prototype. Basically, this is to protect urban areas from attacks launched from suburban areas.

Also, the issue which Chairman Thompson raised about the Coast Guard maritime safety and security teams. I believe five of the 12 are being decommissioned. Again, just speaking for the New

York area, I realize how valuable these teams are—how invaluable they are, actually.

We have to have them, and how well-coordinated they are with the FBI and with local law enforcement. Again, whatever short-term savings there might be, to be eliminating five of these 12 teams I think is really going to be very, very counterproductive, and it is going to increase, you know, the danger level.

Also, with the whole issue of the trials in New York City, we have the Federal Protective Service that was in here testifying, saying they do not have the funding or the personnel to adequately safeguard the Federal courts in New York in the event that a trial was held, and yet there is no increase in the budget at all for the Federal Protective Service.

With UASI, while that has gone up \$213 million, \$200 million of that is allocated for court security in the event that the trials are held here in the United States. So in effect, there was no increase in the UASI funding, even though I believe the threats have increased.

As far as the \$200 million or whatever the final number ends up being, I do know that the Department of Homeland Security and other law enforcement agencies did do an analysis as to what the course could be, and to the extent you can discuss that with us and how that approximates the \$200 million and without trying to sound overly partisan here, I know the Vice President said he thought the \$200 million that Mayor Bloomberg spoke about was an exaggerated number, and yet that turns out to be the number that is in the President's budget or in your budget, so I would just see if you can perhaps explain the Vice President to us.

The issue of Guantanamo. Obviously, Members of this committee have different concerns and different beliefs as to what should be done with Guantanamo. I personally believe it should be open. I know others feel strongly it should be closed. But also, you are on the board, I believe, or the panel which is to decide the fate of Guantanamo or the prisoners at Guantanamo. I was wondering if any progress has been made on that at all?

Similarly, the issue that really caused a lot of debate after the Christmas bombing is the whole issue of Miranda warnings and who should give them, when they should be given. I would like to hear from you or discuss with you during the question period as to who should be making that decision.

Since obviously there was much more involved here than just an individual being apprehended on the ground and since the intelligence community is so far-reaching, it appears the attorney general was making that decision, but in making that, does he discuss that with the Director of National Intelligence?

Does he discuss that decision with you? Does he discuss it with the CIA? Does he discuss it with any of the other counterterrorism or terrorism agencies and departments we have? Or does he just make that on his own without realizing the full consequences of what could happen?

So in any event, these are all issues I would like to discuss with you, hear your thoughts on them. I am sure as the year goes on and we have our regular meetings, a lot more of these will be discussed.

With that, I yield back the balance of my time and look forward to your testimony.

Chairman THOMPSON. Other Members of the committee are reminded that under committee rules, opening statements may be submitted for the record.

[The statement of Honorable Richardson follows:]

PREPARED STATEMENT OF HONORABLE LAURA RICHARDSON

FEBRUARY 25, 2010

Mister Chairman, thank you for convening this very important hearing today on the President's fiscal year 2011 budget request for the Department of Homeland Security. Thank you to Secretary Napolitano for being here as well.

It is an important duty of Congress to work with the President and the various agencies to come up with an appropriate budget, especially in these economic hard times. But it is equally important that we know exactly where these funds are going so the American public knows that taxpayer dollars are spent efficiently and effectively.

The 37th Congressional District of California, which I am privileged to represent, has a vital interest in ensuring our homeland security needs are adequately funded. My district is located in Southern California, which is no stranger to natural disasters ranging from earthquakes to mudslides to wildfires. The 37th district is also home to many high-value terrorist targets, such as the Port of Long Beach.

Therefore, I share the committee's concern about the decrease in funding for international cargo screening. The proposal is \$84.45 million, a decrease of \$77.56 million below the fiscal year 2010 enacted amount of \$162 million. This decrease is part of a shift towards remote targeting and examinations of freight instead of a physical presence of personnel at the ports. The 9/11 Act set forth a goal of working towards 100 percent cargo screening, and this budget decrease indicates a movement away, instead of towards, that goal. While I recognize the fiscal constraints facing the President and the Department, I question the decision to deemphasize cargo screening at the expense of the safety of our ports.

In addition, as chair of the Subcommittee on Emergency, Communications, Preparedness, and Response, I am pleased to see a 2.31 percent increase in FEMA's budget. However, I notice that there is a cut of \$200 million to the Staffing for Adequate Fire and Emergency Response (SAFER) Program and the Assistance to Fire-fighter Grants (AFG). I believe these cuts will severely limit the ability of local fire departments to meet community needs and maintain the readiness of local first responders during all types of emergencies.

I agree with the committee that overall, we are pleased with the President's budget request. However, I look forward to hearing Secretary Napolitano's insight on the questions and concerns we have raised.

Thank you again, Mr. Chairman, for convening this hearing. I yield back the balance of my time.

Chairman THOMPSON. Again, I welcome our witness today, Janet Napolitano. She was confirmed by the Senate and sworn in on January 21, 2009, as the third Secretary of the Department of Homeland Security. In her first year as the Secretary, she has conducted a Department-wide efficiency review, released the first Quadrennial Homeland Security Review, and submitted her first budget request to Congress.

Madame Secretary, I thank you for your service and for appearing before this committee today.

Without objection, the witness' full statement will be inserted in the record.

Secretary Napolitano, I now recognize you to summarize your statement as close to 5 minutes as possible.

**STATEMENT OF HON. JANET NAPOLITANO, SECRETARY,
DEPARTMENT OF HOMELAND SECURITY**

Secretary NAPOLITANO. Well, thank you, Mr. Chairman and Representative King and Members of the committee. It is a pleasure to be before you today to discuss the President's 2011 budget request for the Department of Homeland Security.

I want to thank the committee for the strong support it has shown the Department during my tenure as Secretary. I am glad to work with you as we work to secure the American homeland and also to ensure that we have the resources we need and that they are put to use effectively and efficiently.

As noted, President Obama's budget for the Department focuses our resources where they can be put to best use. The 2011 budget request is \$56.3 billion. It equates to more than a 2 percent increase over last year's funding. While we are always focused on securing and protecting the American people, we are also committed to exercising strong fiscal discipline, making sure that we are investing in what works.

While this budget will not go into effect until next October, I think the events of the past months underscore the importance of the investment to our mission and to our on-going activities. The attempted attack on Flight 253 on Christmas was a powerful illustration that terrorists, especially al-Qaeda and its affiliates, will go to great lengths to try to defeat the security measures that have been put in place since September 11, 2001.

This administration is determined to thwart those plans, to disrupt, dismantle, and defeat terrorist networks by employing multiple layers of defense, working in concert with one another to secure the country. This effort involves not just the Department of Homeland Security, but many other Federal agencies with responsibilities related to the safety of the homeland.

As President Obama made clear, the administration is also determined to find and fix the vulnerabilities in our systems that have allowed not just the Christmas day breach to occur, but as we think forward proactively what could the next attempt be? What needs to be done in advance of that?

We are working hand-in-hand across the Federal Government also on a number of other areas. A more recent example would be the response to the catastrophic earthquake in Haiti.

As the Chairman noted, this year we submitted our first Quadrennial Homeland Security Review. This gives us a long-distance vision and template for the homeland security enterprise and identifies five major mission areas for us.

The first is preventing terrorism and enhancing security. The second is securing and managing our borders. The third is smart and effective enforcement of our Nation's immigration laws. The fourth, and a new one, is safeguarding and securing cyberspace. The fifth is ensuring resiliency to disasters. Let me briefly go through those with budget highlights related to each one.

Preventing terrorism and enhancing security, the President's budget request enhances multiple layers of aviation security, a critical investment. We want to accelerate the placement of advanced imaging technology machines, that kind of machines that will increase our ability to detect nonmetallic explosives.

We also want to add to the Federal Air Marshal Service to train K-9 teams and the behavior detection officers in our domestic airports while we work internationally across the globe on increasing worldwide aviation security.

To secure and manage the borders, the budget request strengthens initiatives that have already resulted in concrete border security successes this past year. We want to expand the border enforcement security task force teams, the best teams. They have helped increase seizures of contraband across the border.

We want to continue to increase the use of intelligence for battling the drug cartels that are housed in Mexico, so the budget contains additional monies for intelligence analysts that will be focused on those efforts.

We also have in the budget the money that is necessary to protect the Customs and Border Protection staffing levels, and I want to pause they are a moment. There has been some confusion. We have delivered a clarifying document. There was no cut to Border Patrol staffing contemplated in this budget. I think that needs to be made very, very clear.

In addition, we want to continue our efforts with respect to Mexico. Just south of our border, the city of Juarez is one, quite frankly, where the rule of law has been lost. The fact that it is a bridge away from the United States should give us all pause. We are working very closely with the federal government of Mexico, just met last week with the president of Mexico, the Mexican federal police and others to make sure border-wide that we make sure that border is secure as possible.

Additionally, in terms of enforcement and administration of the Nation's immigration laws, the President's budget request bolsters critical initiatives, such as our efforts to strengthen E-Verify, which is the tool we use to ensure that employers verify the legal presence of the workforce.

We also want to expand Secure Communities. This is a program where we put access to immigration databases rights in local jails and State prisons so that we proceed with immigration removal and deportation while someone is still incarcerated.

To safeguard and secure cyberspace, the budget request includes a total funding level of \$379 million for our cybersecurity division in addition to the monies for the Secret Service for their investigation of cyber-related crimes.

Under this, Mr. Chairman, we have already been granted by the Office of Personnel Management the ability to hire up to 1,000 cyber experts by direct hiring authority over the next 3 years. This is an effort that we need to proceed on with due haste so that we have on the civilian side of cyber command just as we are developing on the military side.

To ensure resilience to disasters, the President's budget request includes an increase in support of the disaster relief fund and \$100 million in pre-disaster mitigation grants in support of State, local, and Tribal governments to reduce the risks associated with disasters.

Finally, the budget includes increases that are attributable to our efforts to mature and strengthen the unity of the Department. Continuing to build out St. Elizabeths as a consolidated head-

quarters, continuing to consolidate leases so that we are not in more than four dozen locations around the District, continuing to integrate various legacy data systems and IT systems that came into the Department when it was created that now need to be unified into one IT system are just several of the administrative functions here.

They are put in headquarters, but they are designed to provide support and operational efficiency throughout all of the operating components.

Mr. Chairman, I have more detail. It is contained in my complete statement, which I ask be included in the record. But I look forward to addressing the questions that you have posed, that Representative King has posed, and that the other Members might have. Thank you very much.

[The statement of Secretary Napolitano follows:]

PREPARED STATEMENT OF JANET NAPOLITANO

Mr. Chairman, Representative King, and Members of the committee: Let me begin by saying thank you for the strong support you have provided me and the Department this past year. I look forward to another year working with you to make certain that we have the right resources to protect the homeland and the American people and that we make the most effective and efficient use of those resources.

I am pleased to appear before the committee today to present President Obama's fiscal year 2011 Budget Request for the Department of Homeland Security (DHS).

As you know, the attempted attack on Northwest Flight 253 on December 25 was a powerful illustration that terrorists will go to great lengths to try to defeat the security measures that have been put in place since September 11, 2001. This administration is determined to thwart those plans and disrupt, dismantle, and defeat terrorist networks by employing multiple layers of defense that work in concert with one another to secure our country. This effort involves not just DHS, but also many other Federal agencies as well as State, local, Tribal, territorial, private sector and international partners. As President Obama has made clear, this administration is determined to find and fix the vulnerabilities in our systems that allowed this breach to occur—and the fiscal year 2011 Budget Request prioritizes these security enhancements.

The Department is also working hand-in-hand with our Federal partners to respond to the devastation and loss of life in Haiti following the January 12 earthquake. Collaboration within DHS among our many components has allowed us to leverage unprecedented resources and personnel to assist with the humanitarian efforts in Haiti, once again demonstrating what these offices can accomplish together. The fiscal year 2011 Budget Request strengthens the on-going work in each of our Department's offices to fulfill our unified mission.

I will now summarize the fiscal year 2011 budget request along with some of our key accomplishments from last year.

FISCAL YEAR 2011 BUDGET REQUEST

The fiscal year 2011 DHS budget will strengthen efforts that are critical to the Nation's security, bolster the Department's ability to combat terrorism and respond to emergencies and potential threats, and allow DHS to tackle its responsibilities to protect the Nation and keep Americans safe.

DHS executes a wide array of responsibilities in its unified security mission. To bolster these efforts, DHS collaborates and coordinates with many partners—State, local, and Tribal governments and law enforcement agencies, international allies, the private sector, and other Federal departments. These partnerships are essential to DHS' ability to fulfill its security mission.

The fiscal year 2011 budget continues efforts to use our resources as efficiently and effectively as possible. We must exercise strong fiscal discipline, making sure that we are investing our resources in what works, cutting down on redundancy, eliminating ineffective programs and making improvements across the board.

To institutionalize a culture of efficiency across the Department, DHS launched the Department-wide Efficiency Review Initiative in March 2009. One major element of the Efficiency Review is the Balanced Workforce Strategy, a three-pronged approach to ensuring that the right workforce balance is achieved. First, we are tak-

ing steps to ensure that no inherently Governmental functions are performed by contractors. Second, we put in place rigorous review procedures to ensure that future activities do not increase our reliance on contractors. Third, we are coordinating workforce assessments across the Department to seek economies and service improvements and reduce our reliance on contractors. In fiscal year 2011, the Department will continue executing the Balanced Workforce Strategy by converting contractor positions to Federal jobs.

DHS secures the United States against all threats through five main missions, each of which is strengthened by this budget:

- *Preventing Terrorism and Enhancing Security*.—Guarding against terrorism was the founding mission of DHS and remains our top priority today. A key element of preventing terrorism is recognizing the evolving threats posed by violent extremists and taking action to ensure our defenses continue to evolve to deter and defeat them.
- *Securing and Managing Our Borders*.—DHS monitors our air, land, and sea borders to prevent illegal trafficking that threatens our country, while facilitating lawful travel and trade. We will continue to strengthen security efforts on the Southwest border to combat and disrupt cartel violence and provide critical security upgrades—through infrastructure and technology—along the Northern border.
- *Enforcing and Administering Our Immigration Laws*.—DHS is responsible for enforcing the Nation's immigration laws while streamlining and facilitating the legal immigration process. In fiscal year 2011, we will continue to strengthen enforcement activities while targeting criminal aliens who pose a threat to public safety and employers who knowingly violate the law.
- *Safeguarding and Securing Cyberspace*.—The Department defends against and responds to attacks on the cyber networks through which Americans communicate with each other, conduct business, and manage infrastructure. DHS analyzes and reduces cyber threats and vulnerabilities, distributes threat warnings, coordinates the response to cyber incidents and works with the private sector and our State, local, international, and private sector partners to ensure that our computers, networks, and cyber systems remain safe.
- *Ensuring Resilience to Disasters*.—The Department provides the coordinated, comprehensive Federal response in the event of a terrorist attack, natural disaster, or other large-scale emergencies while working with Federal, State, local, and private sector partners to ensure a swift and effective recovery effort. DHS will continue its increased efforts to build a ready and resilient Nation by bolstering information sharing, providing grants and training to our homeland security and law enforcement partners and further streamlining rebuilding and recovery along the Gulf Coast.

Ensuring shared awareness of risks and threats, increasing resilience in communities and enhancing the use of science and technology underpin these National efforts to prevent terrorism, secure and manage our borders, enforce and administer our immigration laws, safeguard and secure cyberspace, and ensure resilience to disasters.

The total fiscal year 2011 budget request for DHS is \$56.3 billion in total funding; a 2 percent increase over the fiscal year 2010 enacted level. The Department's fiscal year 2011 gross discretionary budget request¹ is \$47.1 billion, an increase of 2 percent over the fiscal year 2010 enacted level. The Department's fiscal year 2011 net discretionary budget request is \$43.6 billion,² an increase of 3 percent over the fiscal year 2010 enacted level. For purposes of comparison the Overseas Contingency Operation funding and transfer from the National Science Foundation are not included in the fiscal year 2010 enacted level.

The following are highlights of the fiscal year 2011 budget request:

PREVENTING TERRORISM AND ENHANCING SECURITY

- *Advanced Imaging Technology (AIT)*.—An increase of \$214.7 million is requested to procure and install 500 advanced imaging technology machines at airport checkpoints to detect dangerous materials, including non-metallic materials. This request, combined with units the Transportation Security Administration (TSA) plans to install in 2010, will mean that 1,000 AIT scanners, will

¹ Gross Discretionary funding does not include funding such as Coast Guard's retirement pay account and fees paid for immigration benefits.

² This does not include fee collections such as funding for the Federal Protective Service (NPPD), aviation security passenger and carrier fees (TSA), credentialing fees (such as TWIC—TSA), and administrative costs of the National Flood Insurance Fund (FEMA).

total AIT coverage at 75 percent of Category X airports and 60 percent of the total lanes at Category X through II airports.

- *Transportation Security Officers (TSOs) to Staff AITs.*—An increase of \$218.9 million is requested for additional Transportation Security Officers (TSOs), managers, and associated support costs to operate additional AITs at airport checkpoints. Passenger screening is critical to detecting and preventing individuals carrying dangerous or deadly objects and materials from boarding planes.
- *Federal Air Marshals (FAMs).*—An increase of \$85 million is requested for additional FAMs to increase international flight coverage. FAMs help detect, deter, and defeat terrorist and other criminal hostile acts targeting U.S. air carriers, airports, passengers, and crew.
- *Portable Explosive Trace Detection (ETD).*—An increase of \$60 million is requested to purchase approximately 800 portable ETD machines (\$39 million) and associated checkpoint consumables (\$21 million).
- *Canine Teams.*—An increase of \$71 million and 523 positions (262 Full-Time Equivalents, or FTE) is requested to fund an additional 275 proprietary explosives detection canine teams, 112 teams at 28 Category X airports and 163 teams at 56 Category I airports.
- *Behavior Detection Officers (BDOs).*—An increase of \$20 million and 350 BDOs (210 FTE) is requested to further enhance TSA's Screening Passengers by Observation Techniques program. The fiscal year 2011 request includes a total of 3,350 officers to enhance coverage at lanes and shifts at high-risk Category X and I airports and expand coverage to smaller airports.
- *Domestic Nuclear Detection Office Systems Engineering and Architecture.*—An increase of \$13.4 million is requested to fund systems engineering efforts to address vulnerabilities in the Global Nuclear Detection Architecture, the multi-layered system of detection technologies, programs, and guidelines designed to enhance the Nation's ability to detect and prevent a radiological or nuclear attack.
- *Radiological/Nuclear Detection Systems.*—An increase of \$41 million is requested for the procurement and deployment of radiological and nuclear detection systems and equipment to support efforts across the Department.
- *Law Enforcement Detachment Teams.*—An increase of \$3.6 million is requested to bring deployable U.S. Coast Guard Law Enforcement Detachment (LEDET) teams to full capacity. LEDETs help prevent terrorism, secure U.S. borders, disrupt criminal organizations and support counter drug missions overseas. In fiscal year 2009, for example, LEDETs aboard U.S. naval and partner nation assets accounted for more than 50 percent of total maritime cocaine removals.
- *2012 Presidential Campaign.*—Total funding of \$14 million is requested for start-up costs associated with the 2012 Presidential Campaign including training for candidate/nominee protective detail personnel. The Secret Service will also begin to procure and pre-position equipment, services, and supplies to support candidate/nominee protective operations throughout the country.
- *Secret Service Information Technology.*—Total funding of \$36 million is requested for the Information Integration and Transformation program. This funding will allow the Secret Service to successfully continue its comprehensive Information Technology (IT) transformation and provide a multi-year, mission-integrated program to engineer a modernized, agile, and strengthened IT infrastructure to support all aspects of the Secret Service's mission.

SECURING AND MANAGING OUR BORDERS

- *Journeyman Pay Increase.*—In the spring of 2010, DHS will implement the journeyman pay increase, raising the journeyman grade level for frontline Customs and Border Protection (CBP) Officers (including Border Patrol agents and Agricultural Specialists) from GS-11 level to the GS-12 level. An adjustment to the base of \$310.4 million will fund the full-year impact of the salary and benefit requirements associated with this implementation.
- *CBP Officers.*—An increase of \$44.8 million is requested to fund 318 CBP Officer FTEs within the Office of Field Operations and 71 support FTEs for CBP. The decline in the number of passengers and conveyances entering the United States in fiscal year 2009 resulted in an almost 8 percent decrease in revenues from inspection user fees. CBP, therefore, has fewer resources to maintain critical staffing levels for CBP officers. The proposed funding will allow CBP to maintain staffing for critical positions to protect the United States at its ports of entry.
- *Border Enforcement Security Task Forces (BESTs).*—An additional \$10 million is requested to establish BESTs in three additional locations: Massena, NY; San

Francisco, CA and Honolulu, HI. These multi-agency teams work to identify, disrupt, and dismantle criminal organizations posing significant threats to border security, including terrorist groups, gang members, and criminal aliens.

- *Intellectual Property Rights (IPR) Enforcement.*—An increase of \$30 million is requested to support CBP and ICE IPR enforcement efforts. This includes information technology systems that support IPR activities and implementation of the 5-year IPR Plan. An increase of \$5 million is also requested for the Immigration and Customs Enforcement (ICE)-led National Intellectual Property Rights Coordination Center (IPR Center). The IPR Center brings key U.S. Government agencies together to combat IPR violations that threaten our economic stability, restrict the competitiveness of U.S. industry and endanger the public's health and safety. ICE will also use these funds to focus on disrupting criminal organizations through the internet and support for anti-counterfeiting efforts.
- *Intelligence Analysts.*—An increase of \$10 million is requested to fund 103 Intelligence Analysts for CBP. This staffing increase will support 24/7 operations of CBP Intelligence Watch, Operations Coordination, and the Commissioner's Situation Room.
- *Coast Guard Asset Recapitalization.*—A total of \$1.4 billion is requested to continue recapitalization of aging Coast Guard surface and air assets. Included in this request is \$538 million for production of the Coast Guard's fifth National Security Cutter to continue replacement of the 378-foot High Endurance Cutters fleet. Also included is \$240 million for production of four Fast Response Cutters to continue replacement of the 110-foot Class Patrol Boat fleet. The Fast Response Cutters have enhanced capability, high readiness, speed, and endurance, which will allow them to quickly and effectively respond to emerging threats. Additionally, \$40 million is requested to purchase one Maritime Patrol Aircraft (MPA) HC-144A. The HC-144A will address the Coast Guard's MPA flight hour gap by providing 1,200 hours every year per aircraft. Finally, \$13.9 million is requested for improvement and acquisition of housing to support military families.

ENFORCING AND ADMINISTERING OUR IMMIGRATION LAWS

- *E-Verify.*—A total of \$103.4 million and 338 FTEs is requested for the E-Verify Program. In fiscal year 2011, U.S. Citizenship and Immigration Services (USCIS) will develop and implement an E-Verify portal that will provide a single-user interface for the program's products and services. In addition, USCIS will enhance E-Verify's monitoring and compliance activities through analytical capabilities that will support more robust fraud detection and improved analytic processes and will continue developing system enhancements in response to customer feedback, surveys, mission requirements, and capacity needs.
- *Secure Communities.*—Total funding of \$146.9 million is requested to continue fiscal year 2010 progress toward Nation-wide implementation of ICE's Secure Communities program—which involves the identification, apprehension, and removal of all Level 1 criminal aliens in State prisons and local jails through criminal alien biometric identification capabilities. Secure Communities, in cooperation with Federal, State, and local law enforcement agencies, will provide a safeguard to American communities by removing those criminal aliens from the United States who represent the greatest threats to public safety and by deterring their re-entry through aggressive prosecution.
- *Immigrant Integration.*—A total of \$18 million is requested to fund USCIS Office of Citizenship initiatives, including expansion of the competitive Citizenship Grant Program to support National and community-based organizations preparing immigrants for citizenship, promoting, and raising awareness of citizenship rights and responsibilities, and enhancing English language education and other tools for legal permanent residents. The Office of Citizenship will support the implementation of the Immigration Integration program and lead initiatives to educate aspiring citizens about the naturalization process, monitor, and evaluate the administration and content of the new naturalization test, and develop educational materials and resources for immigrants and the organizations that serve them.

SAFEGUARDING AND SECURING CYBERSPACE

- *National Cyber Security Division (NCSD).*—Total funding of \$379 million is requested for the NCSD to support the development of capabilities to prevent, prepare for, and respond to incidents that could degrade or overwhelm the Nation's critical information technology infrastructure and key cyber networks. These funds will identify and reduce vulnerabilities, mitigate threats, and en-

sure that cyber intrusions and disruptions cause minimal damage to public and private sector networks.

- *National Cyber Security Center (NCSC).*—A total of \$10 million is requested for the NCSC to enhance cyber security coordination capabilities across the Federal Government including mission integration, collaboration and coordination, situational awareness and cyber incident response, analysis and reporting, knowledge management, and technology development and management.

ENSURING RESILIENCE TO DISASTERS

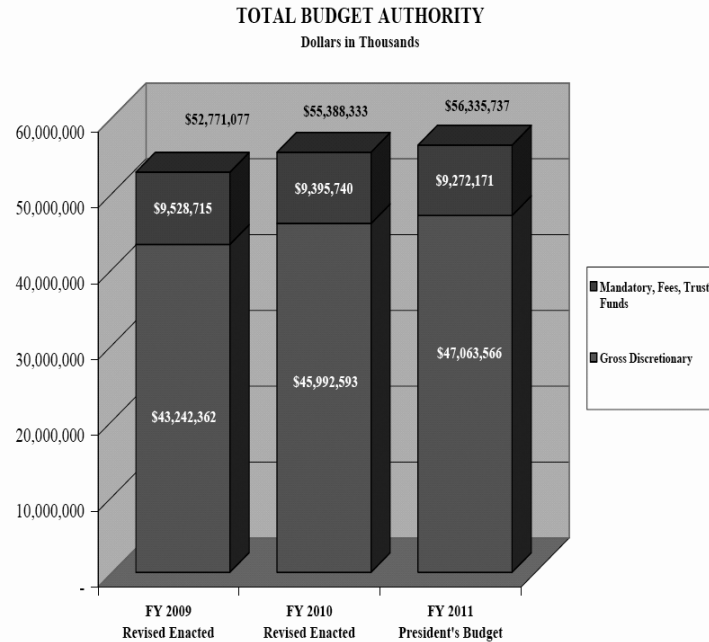
- *Disaster Relief Fund (DRF).*—The budget seeks funding of \$1.95 billion, an increase of \$350 million for the DRF. The DRF provides a significant portion of the total Federal response to victims in declared major disasters and emergencies.
- *Federal Emergency Management Agency (FEMA) Facilities.*—An additional \$23.3 million is requested to address critical FEMA real estate needs. By fiscal year 2011, the capacity of FEMA facilities will be unable to accommodate key mission responsibilities and staff. FEMA also faces a critical need to maintain and repair aging and deteriorating National facilities. To address these needs, FEMA has developed a 5-year capital plan to begin critical regional facility acquisitions and repairs.
- *Pre-Disaster Mitigation Grants.*—Total funding of \$100 million is requested to provide program support and technical assistance to State, local, and Tribal governments to reduce the risks associated with disasters, support the National grant competition and provide the required \$500,000 per State allocation. Resources will support the development and enhancement of hazard mitigation plans, as well as the implementation of pre-disaster mitigation projects.
- *Flood Map Modernization.*—A total of \$194 million is requested to analyze and produce flood hazard data and map products and communicate flood hazard risk. The funding will support the review and update of flood hazard data and maps to accurately reflect flood hazards and monitor the validity of published flood hazard information.
- *Rescue 21.*—A total of \$36 million is requested for the Rescue 21 system, enabling the U.S. Coast Guard to enhance preparedness, ensure efficient emergency response, and rapidly recover from disasters. The Rescue 21 system replaces the U.S. Coast Guard's legacy National Distress and Response System and improves communications and command and control capabilities in the coastal zone. The system is the foundation for coastal Search and Rescue and enhances maritime situational awareness through increased communications ability with mariners and other responders.

MATURING AND STRENGTHENING THE HOMELAND SECURITY ENTERPRISE

- *St. Elizabeths Headquarters Consolidation.*—To streamline the Department's core operations, \$287.8 million is requested to consolidate executive leadership, operations coordination, and policy and program management functions in a secure setting at St. Elizabeths. The Department's facilities are currently dispersed over more than 40 locations throughout the National Capital Region (NCR). This consolidation at St. Elizabeths will reduce the fragmentation of components and will improve communications, coordination, and cooperation across all DHS headquarters organizations.
- *Lease Consolidation—Mission Support.*—A total of \$75 million is requested to align the Department's real estate portfolio in the NCR to enhance mission performance and increase management efficiency in conjunction with St. Elizabeths Headquarters Consolidation.
- *Data Center Migration.*—A total of \$192.2 million is requested for the continuation of system and application migration of legacy data centers to two enterprise-wide DHS Data Centers to meet current and anticipated data service requirements. Funding will also be utilized for upgrading infrastructure requirements.
- *Acquisition Workforce.*—The fiscal year 2011 request includes an increase of \$24.2 million to strengthen the Department's acquisition workforce capacity and capabilities. The increase is requested to mitigate the risks associated with skill gaps of the acquisition workforce, ensure that the Department achieves the best terms possible in major acquisitions and improve the effectiveness of the workforce.
- *Science and Technology (S&T) Safe Container (SAFECON)/Time Recorded Ubiquitous Sensor Technology (TRUST) R&D.*—A total of \$8 million is requested for the S&T SAFECON and TRUST programs. These initiatives develop

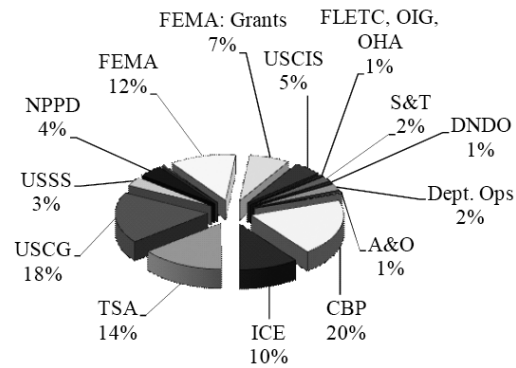
high reliability, high-throughput detection technologies to scan cargo containers entering the country for weapons of mass destruction, explosives, contraband, and human cargo.

- *Grants.*—A total of \$4 billion is requested for grant programs to support our Nation's first responders. This funding assists State and local governments in the prevention of, protection against, response to, and recovery from incidents of terrorism and other events.



- FY 2011 Gross Discretionary funding increases by \$1.1 billion, or 2 percent, over FY 2010.
- There is an decrease of \$123 million, or 1 percent, in estimated budget authority for Mandatory, Fees, and Trust Funds over FY 2010.
- Excludes supplemental funding and rescissions of prior-year carryover funds.

FY 2011
Percent of Total Budget Authority by Organization
\$56,335,737,000



Notes: Departmental Operations is composed of the Office of the Secretary & Executive Management, the Office of the Federal Coordinator for Gulf Coast Rebuilding, the Office of the Undersecretary for Management, the Office of the Chief Financial Officer, the Office of the Chief Information Officer and the National Special Security Event Fund.

TOTAL BUDGET AUTHORITY BY ORGANIZATION

Gross Discretionary & Mandatory, Fees, Trust Funds

	Fiscal Year 2009 Revised Enacted ¹	Fiscal Year 2010 Revised Enacted ²	Fiscal Year 2011 President's Budget	Fiscal Year 2011 +/- Fiscal Year 2010 Enacted	Fiscal Year 2011 +/- Fiscal Year 2010 Enacted
	[Thousands]	[Thousands]	[Thousands]	[Thousands]	[Percent]
Departmental Operations ³	\$659,109	\$802,931	\$1,270,821	\$467,890	58
Analysis and Operations	327,373	335,030	347,930	12,900	4
Office of the Inspector General	114,513	113,874	129,806	15,932	14
U.S. Customs & Border Protection	11,250,652	11,449,283	11,180,018	(269,265)	-2
U.S. Immigration & Customs Enforcement	5,968,015	5,741,752	5,835,187	93,435	2
Transportation Security Administration	6,992,778	7,656,066	8,164,780	508,714	7
U.S. Coast Guard	9,624,179	10,122,963	10,078,317	(44,646)	0
U.S. Secret Service	1,640,444	1,702,644	1,811,617	108,973	6
National Protection and Programs Directorate	1,188,263	2,432,755	2,361,715	(71,040)	-3
Office of Health Affairs	157,621	139,250	212,734	73,484	53
Federal Emergency Management Agency	5,971,159	6,194,268	6,527,406	333,138	5
FEMA: Grant Programs	4,220,858	4,165,200	4,000,590	(164,610)	-4
U.S. Citizenship & Immigration Services	2,876,348	2,859,997	2,812,357	(47,640)	-2
Federal Law Enforcement Training Center	332,986	282,812	278,375	(4,437)	-2
S&T Directorate	932,587	1,006,471	1,018,264	11,793	1
Domestic Nuclear Detection Office	514,191	383,037	305,820	(77,217)	-20
TOTAL	52,771,076	55,388,333	56,335,737	947,404	1.71
Less Rescission of Prior Year Carryover Funds ⁴	(61,373)	(40,474)	.....	40,474	-100
ADJUSTED TOTAL BUDGET AUTHORITY	52,709,703	55,347,859	56,335,737	987,878	2
SUPPLEMENTAL ⁵	3,354,503	295,503	.....	(295,503)	.....

TOTAL BUDGET AUTHORITY BY ORGANIZATION—Continued

Gross Discretionary & Mandatory, Fees, Trust Funds

	Fiscal Year 2009 Revised Enacted ¹	Fiscal Year 2010 Revised Enacted ²	Fiscal Year 2011 President's Budget	Fiscal Year 2011 +/- Fiscal Year 2010 Enacted	Fiscal Year 2011 +/- Fiscal Year 2010 Enacted
	[Thousands]	[Thousands]	[Thousands]	[Thousands]	[Percent]
Less Rescission of Prior Year Carryover Funds ⁵	(100,000)				

¹ Fiscal Year 2009 revised enacted reflects: (1) Net reprogramming/transfer adjustments for OSEM (\$17.4 million); OIG (\$16.0 million); CBP (-\$24.1 million); ICE (\$16.4 million); TSA (\$14.4 million); USCG (\$400 million); USSS (\$2.5 million); NPPD (\$30 million); OHA (\$430 million); FEMA (-\$39.5 million). (2) Technical adjustments to revise fee/trust fund estimates for ICE—Immigration Inspection User Fee (\$7.0 million); ICE—Detention and Removal Examination Fee (\$1.4 million); ICE—Breached Bond/Detention Fund (\$15.0 million); TSA—Transportation Threat and Credentialing—Registered Traveler (-\$10.0 million); TSA—Transportation Threat and Credentialing—Transportation Worker Identification Credentials (\$22.7 million); TSA—Transportation Threat and Credentialing—Hazardous Materials (-\$3.0 million); TSA—Transportation Threat and Credentialing—Alien Flight School (\$1.0 million); CIS (\$185.4 million); USCG (\$7.9 million). (3) Realignment of USCG Operating Expenses funding and Pursuant to Pub. L. 110-53 reflects TSA realignment of funds for 9/11 Commission Act implementation (\$3.675 million—Aviation Security, \$13.825 million—Surface, \$2.5 million—Support). (4) Scorekeeping adjustment for a rescission of prior year unobligated balances from USCG—AC&I (-\$20.0 million).

² Fiscal year 2010 revised enacted reflects: (1) Technical adjustments for TSA Aviation Security Fees of (\$128.9 million); USCG Health Care Fund (\$5.0 million). (2) Scorekeeping adjustment for a rescission of prior year unobligated balances from USCG—AC&I (-\$800 million). (3) For comparability purposes, excludes USCG Overseas Contingency Operations (\$241.5 million) and National Science Foundation transfer to USCG of \$54.0 million.

³ Departmental Operations is comprised of the Office of the Secretary & Executive Management, the Office of the Federal Coordinator for Gulf Coast Rebuilding, the Office of the Under Secretary for Management, the Office of the Chief Financial Officer, the Office of the Chief Information Officer, and the National Special Security Events Fund (NSSE).

⁴ Pursuant to Pub. L. 110-329, reflects fiscal year 2009 rescissions of prior year unobligated balances: Analysis and Operations (-\$21.373 million); TSA (-\$31.0 million); FEMA—Cerro Grande (-\$9.0 million). Pursuant to Pub. L. 111-83, reflects fiscal year 2010 rescissions of prior year unobligated balances: Analysis and Operations (-\$2.4 million); TSA (-\$4.0 million); Counter-Terrorism Fund (-\$5.6 million); FEMA (-\$5.6 million); S&T (-\$6.9 million); DNDO (-\$8.0 million).

⁵ In order to obtain comparable figures, Net Discretionary, Gross Discretionary, and Total Budget Authority excludes: (1) Fiscal year 2009 supplemental funding pursuant to Pub. L. 110-252: USCG (\$112 million). (2) Fiscal year 2009 supplemental funding pursuant to Pub. L. 111-5 (ARRA): USM (\$200 million); OIG (\$5 million); CBP (\$680 million); ICE (\$20 million); TSA (\$1.0 billion); USCG (\$240 million); FEMA (\$610 million). (3) Fiscal year 2009 supplemental funding pursuant to Pub. L. 111-8: USSS (\$100 million). (4) Fiscal year 2009 supplemental funding pursuant to Pub. L. 111-32: CBP (\$51.2 million); ICE (\$66.8 million); USCG (\$139.5 million); FEMA (\$130.0 million). (5) Pursuant to Pub. L. 111-32 reflects fiscal year 2009 rescissions of prior year unobligated balances: FEMA (-\$100.0 million). (6) Fiscal year 2010 Overseas Contingency Operations funding provided in Pub. L. 111-83: USCG (\$241.5 million). (7) Fiscal year 2010 Supplemental funding pursuant to Pub. L. 111-117: USCG (\$54.0 million).

NET DISCRETIONARY AUTHORITY BY ORGANIZATION

Excludes Discretionary Offsetting Fees & Mandatory, Non-Offsetting Fees, & Trust Funds

	Fiscal Year 2009 Revised En- acted ¹	Fiscal Year 2010 Revised En- acted ²	Fiscal Year 2011 President's Bud- get	Fiscal Year 2011 +/- Fiscal Year 2010 Enacted	Fiscal Year 2011 +/- Fiscal Year 2010 Enacted
	[Thousands]	[Thousands]	[Thousands]	[Thousands]	[Percent]
Departmental Operations ³	\$659,109	\$802,931	\$1,270,821	\$467,890	58
Analysis and Operations	327,373	335,030	347,930	12,900	4
Office of the Inspector General	114,513	113,874	129,806	15,932	14
U.S. Customs & Border Protection	9,803,667	10,134,554	9,817,117	(317,437)	-3
U.S. Immigration & Customs Enforcement	5,005,615	5,436,952	5,523,800	86,848	2
Transportation Security Administration	4,369,358	5,129,505	5,724,000	594,495	12
U.S. Coast Guard	8,104,707	8,541,749	8,466,537	(75,212)	-1
U.S. Secret Service	1,415,444	1,482,644	1,571,617	88,973	6
National Protection and Programs Directorate	1,188,263	1,317,755	1,246,715	(71,040)	-5
Office of Health Affairs	157,621	139,250	212,734	73,484	53
Federal Emergency Management Agency	2,777,560	2,963,268	3,292,860	329,592	11
FEMA: Grant Programs	4,220,858	4,165,200	4,000,590	(164,610)	-4
U.S. Citizenship & Immigration Services	152,490	224,000	385,800	161,800	72
Federal Law Enforcement Training Center	332,986	282,812	278,375	(4,437)	-2
S&T Directorate	932,587	1,006,471	1,018,264	11,793	1
Domestic Nuclear Detection Office	514,191	383,037	305,820	(77,217)	-20
TOTAL	40,076,342	42,459,032	43,592,786	1,133,754	2.67
Less Rescission of Prior Year Carryover Funds ⁴	(61,373)	(40,474)	.....	-40,474	-100
Mandatory, Fees, and Trusts	12,694,734	12,929,301	12,742,951	.....	.....
ADJUSTED TOTAL BUDGET AUTHORITY	52,709,703	55,347,859	56,335,737	987,878	2
SUPPLEMENTAL ⁵	3,354,503	295,503	.....	(295,503)	.....

NET DISCRETIONARY AUTHORITY BY ORGANIZATION—Continued

Excludes Discretionary Offsetting Fees & Mandatory, Non-Offsetting Fees, & Trust Funds

	Fiscal Year 2009 Revised En- acted ¹	Fiscal Year 2010 Revised En- acted ²	Fiscal Year 2011 President's Bud- get	Fiscal Year 2011 +/- Fiscal Year 2010 Enacted	Fiscal Year 2011 +/- Fiscal Year 2010 Enacted
	[Thousands]	[Thousands]	[Thousands]	[Thousands]	[Percent]
Less Rescission of Prior Year Carryover Funds ⁵	(100,000)				

¹Fiscal year 2009 revised enacted reflects: (1) Net reprogramming/transfer adjustments for OSEM (\$17.4 million); OIG (\$16.0 million); CBP (-\$24.1 million); ICE (\$16.4 million); TSA (\$14.4 million); USCG (\$400 million); NPPD (\$30 million); OHA (\$430 million); FEMA (-\$39.5 million); (2) Technical adjustments to revise fee/trust fund estimates for ICE—Immigration Inspection User Fee (\$7.0 million); ICE—Detention and Removal Examination Fee (\$1.4 million); ICE—Breached Bond/Detention Fund (\$15.0 million); TSA—Transportation Threat and Credentialing—Registered Traveler (-\$10.0 million); TSA—Transportation Threat and Credentialing—Transportation Worker Identification Credentials (\$22.7 million); TSA—Transportation Threat and Credentialing—HAZMAT (-\$3.0 million); TSA—Transportation Threat and Credentialing—Alien Flight School (\$1.0 million); CIS (\$185.4 million); USCG (\$7.9 million). (3) Realignment of USCG Operating Expenses funding and Pursuant to Pub. L. 110-53 reflects TSA realignment of funds for 9/11 Commission Act implementation (\$3.675 million—Aviation Security, \$13.825 million—Surface, \$2.5 million—Support). (4) Scorekeeping adjustment for a rescission of prior year unobligated balances from USCG—AC&I (-\$20.0 million).

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³Departmental Operations is comprised of the Office of the Secretary & Executive Management, the Office of the Federal Coordinator for Gulf Coast Rebuilding, the Office of the Under Secretary for Management, the Office of the Chief Financial Officer, the Office of the Chief Information Officer, and the National Special Security Events Fund (NSSSE).

⁴Pursuant to Pub. L. 110-329, reflects fiscal year 2009 rescissions of prior year unobligated balances: Analysis and Operations (-\$21.373 million); TSA (-\$31.0 million); FEMA—Cerro Grande (-\$9.0 million). Pursuant to Pub. L. 111-83, reflects fiscal year 2010 rescissions of prior year unobligated balances: Analysis and Operations (-\$2.4 million); TSA (-\$4.0 million); Counter-Terrorism Fund (-\$5.6 million); FEMA (-\$5.6 million); S&T (-\$6.9 million); DND0 (-\$8.0 million).

⁵In order to obtain comparable figures, Net Discretionary, Gross Discretionary, and Total Budget Authority excludes: (1) Fiscal year 2009 supplemental funding pursuant to Pub. L. 110-252; USCG (\$112 million). (2) Fiscal year 2009 supplemental funding pursuant to Pub. L. 111-5 (ARRA); USM (\$200 million); OIG (\$5 million); CBP (\$680 million); ICE (\$20 million); TSA (\$1.0 billion); USCG (\$240 million); FEMA (\$610 million). (3) Fiscal year 2009 supplemental funding pursuant to Pub. L. 111-8; USSS (\$100 million). (4) Fiscal year 2009 supplemental funding pursuant to Pub. L. 111-32; CBP (\$51.2 million); ICE (\$66.8 million); USCG (\$139.5 million); FEMA (\$130.0 million). (5) Pursuant to Pub. L. 111-32 reflects fiscal year 2009 rescissions of prior year unobligated balances: FEMA (-\$100.0 million). (6) Fiscal year 2010 Overseas Contingency Operations funding provided in Pub. L. 111-83; USCG (\$241.5 million). (7) Fiscal year 2010 Supplemental funding pursuant to Pub. L. 111-117; USCG (\$54.0 million).

KEY FISCAL YEAR 2009 ACCOMPLISHMENTS & REFORMS

In 2009, our 230,000 employees strengthened existing efforts and launched new initiatives to meet our five key responsibilities: Guarding against terrorism; securing our borders; engaging in smart, effective enforcement of immigration laws; preparing for, responding to, and recovering from disasters of all kinds; and building a mature and unified Department.

DHS has emphasized three cross-cutting approaches to achieve these aims—increasing cooperation with Federal, State, Tribal, local, private sector, and international partners; deploying the latest science and technology to support our mission; and maximizing efficiency and streamlining operations across the Department.

As a result, we have made major advances in addressing new and emerging threats to keep our homeland safe, fostering lawful trade and travel and continuing to build a ready and resilient Nation able to meet the challenges of the 21st century. The following are some key initiatives accomplished this past year.

Guarding Against Terrorism and Threats to Cyber Networks and Critical Infrastructure

Protecting the American people from terrorist threats is the founding purpose of the Department and a top priority. Over the past year, DHS has continued to guard against terrorism by enhancing explosives detection and other protective measures in public spaces and transportation networks, working with the private sector to protect critical infrastructure and cyber networks from attack, improving detection of chemical, biological, radiological, and nuclear materials, and building information-sharing partnerships with State and local law enforcement that enable law enforcement to better mitigate threats.

- Fulfilling a key 9/11 Commission recommendation, TSA began implementing Secure Flight, which prescreens passenger name, date of birth, and gender against Government watch lists for domestic and international flights.
- TSA achieved the 9/11 Act requirement of screening 50 percent of air cargo transported on domestic passenger aircrafts by February 3, 2009. Currently, 100 percent of cargo is screened on more than 95 percent of flights originating in the United States and 100 percent of all baggage is screened for explosives.
- The Domestic Nuclear Detection Office directly trained more than 3,600 Federal, State, and local officers and first responders in radiological and nuclear detection and began demonstrating the first-of-its-kind Cargo Advanced Automated Radiography System, which aims to detect special nuclear materials and shielding material in cargo at ports of entry.
- DHS opened the new National Cyber Security and Communications Integration Center—a 24-hour, DHS-led coordinated watch and warning center that will improve National efforts to address threats and incidents affecting the Nation's critical IT and cyber infrastructure.
- DHS worked with the Office of Personnel Management to attain new authority to recruit and hire up to 1,000 cyber security professionals across the Department over the next 3 years to help fulfill DHS' broad mission to protect the Nation's cyber infrastructure, systems, and networks.
- S&T partnered with the U.S. Secret Service, industry, and academia to digitize more than 9,000 ink samples to expedite the investigation of criminal and terrorist activities by reducing matching times from days to minutes.
- DHS held the 5-day National Level Exercise 2009—the first National-level exercise to focus on terrorism prevention—in conjunction with Federal, State, local, Tribal, private sector, and international partners.
- In accordance with the Chemical Facilities Anti-Terrorism Standards Act (CFATS), which allows DHS to regulate the security measures at high-risk chemical facilities, DHS is working with 2,300 facilities on strengthening security measures. In 2009, DHS received Site Security Plans from over 900 regulated facilities.
- DHS signed agreements to prevent and combat crime with Italy, Greece, Portugal, and Spain. These agreements allow for the exchange of biometric and biographic data to bolster counterterrorism and law enforcement efforts while emphasizing privacy protections.
- DHS and Spanish Interior Minister Perez Rubalcaba signed a Declaration of Principles formalizing the Immigration Advisory Program—which identifies high-risk travelers at foreign airports before they board aircraft bound for the United States.
- DHS forged partnerships with Germany and Spain to facilitate scientific research and collaboration to combat transnational threats.

- DHS and Canadian Public Safety Minister Peter Van Loan announced a series of cooperative initiatives between the United States and Canada to address terrorism and organized crime while expediting the lawful flow of travel and trade—including a biometric data sharing initiative also involving Australia, the United Kingdom and, eventually, New Zealand.

Securing Our Borders While Facilitating Lawful Travel and Trade

In 2009, DHS continued to strengthen security on the Southwest border through additional manpower and new technology to disrupt the flow of illegal drug, cash, and weapon smuggling that fuels cartel violence in Mexico. The Department also reinforced security on the Northern border while facilitating lawful travel and trade.

- The Obama administration announced the Southwest Border Security Initiative, a joint effort of the Departments of Homeland Security, Justice, and State to crack down on Mexican drug cartels by enhancing border security through additional personnel, increased intelligence capability, and better coordination with State, local, and Mexican law enforcement authorities. As of December 8, 2009, CBP has seized more than \$38.3 million in southbound currency—an increase of more than \$29.3 million compared to the same period in 2008. In total thus far in 2009, CBP and ICE have seized more than \$101.7 million and nearly 1.59 million kilograms of drugs—an increase of more than \$48.2 million and more than 423,167 kilograms of drugs compared to the same period in 2008.
- DHS implemented the Western Hemisphere Travel Initiative for land and sea travel to the United States, increasing border security while facilitating lawful travel and trade by requiring U.S. and Canadian citizens to present a passport or other approved secure document that denotes identity and citizenship when crossing the border.
- DHS and the Department of Justice joined with the Office of National Drug Control Policy to release the National Southwest Border Counternarcotics Strategy, the Obama administration's strategy to stem the flow of illegal drugs and their illicit proceeds across the Southwest border and reduce associated crime and violence.
- The Department announced the expansion of Global Entry—a CBP pilot program that streamlines the screening process at airports for trusted travelers through biometric identification—as a permanent voluntary program at airports across the United States. Global Entry reduces average wait times by more than 70 percent and more than 75 percent of travelers using Global Entry are admitted in less than 5 minutes.
- DHS launched a joint Coast Guard-CBP effort to use Predator Unmanned Aerial Systems (UAS) to provide improved surveillance of the United States' maritime borders. DHS will conduct the first UAS operations along maritime borders in 2010.
- DHS, the Department of Justice, and the Government of Mexico signed a Letter of Intent to develop a coordinated and intelligence-driven response to the threat of cross-border smuggling and trafficking of weapons and ammunition. This first-of-its-kind arrangement leverages the combined investigative capabilities of ICE, the Bureau of Alcohol, Tobacco, Firearms and Explosives, and the Attorney General of Mexico to combat violence and criminal activity along the U.S.-Mexico border.
- Through Global Entry, DHS launched a first-of-its-kind initiative with the Netherlands to open membership in U.S. and Dutch expedited air travel programs to citizens of both countries in an effort to streamline entry processes for pre-screened fliers.

Engaging in Smart, Effective Immigration Law Enforcement

Over the past year, DHS has strengthened its immigration enforcement activities, targeting criminal aliens and employers who violate the Nation's immigration laws, while making improvements to the legal immigration system.

- DHS implemented a new, comprehensive strategy to reduce the demand for illegal employment and protect employment opportunities for the Nation's lawful workforce by targeting employers who knowingly hire illegal workers through investigations, prosecution, and civil and criminal penalties. Since January 2009, DHS' new worksite enforcement policies have led to 1,897 cases and 2,069 Form I-9 inspections targeting employers, 58 companies and 62 individuals debarred, and 142 Notices of Intent to Fine totaling \$15,865,181 issued.
- DHS is reforming the immigration detention system, enhancing security and efficiency Nation-wide while prioritizing the health and safety of detainees. New initiatives include creating an Office of Detention Policy and Planning to ensure uniform conditions of confinement, medical care, and design; implementing a

medical classification system; centralizing all detention facility contracts under ICE headquarters' supervision; developing a plan for alternatives to detention; more than doubling the number of Federal personnel providing on-site oversight at the facilities where the majority of detainees are housed; creating two advisory boards comprised of community and immigration advocacy groups; and establishing an independent Office of Detention Oversight reporting directly to the ICE Assistant Secretary.

- DHS expanded the Secure Communities initiative—which uses biometric information to target criminal aliens in U.S. correctional facilities—from 14 to 107 locations in 2009, reflecting an increased emphasis on identifying and removing criminal aliens who pose the greatest threat to public safety. To date, the program has identified more than 111,000 aliens in jails and prisons who have been charged with or convicted of criminal offenses.
- USCIS and the FBI cleared the backlog of a year or more for background checks on people seeking to work and live in the United States or become citizens—reflecting DHS' commitment to quick, thorough, and fair adjudication of immigration applications. The vast majority of these checks are now answered within 30 days. At the end of fiscal year 2009, USCIS also reduced the backlog of pending immigration applications and petitions by more than 90 percent and reduced average processing times for naturalization applicants by nearly 5 months as compared to fiscal year 2008.
- USCIS launched a redesigned website—available in English and Spanish—which provides a one-stop location for immigration services and information, including real-time alerts on the status of immigration applications via text message and e-mail.
- USCIS increased employer participation in E-Verify, the Nation's preeminent employment eligibility verification system, from 88,000 companies at the end of fiscal year 2008 to more than 177,000 employers today.

Preparing for, Responding to, and Recovering From Disasters

In the event of a terrorist attack, natural disaster, or other large-scale emergency, the Department provides a coordinated, comprehensive Federal response and works with Federal, State, local, and private sector partners to ensure a swift and effective recovery effort. This year, DHS increased efforts to build a ready and resilient Nation by providing grants and training to our homeland security and law enforcement partners, coordinating the Federal Government's response to H1N1, and streamlining rebuilding and recovery along the Gulf Coast.

- DHS led the Federal response to the H1N1 outbreak, creating regional coordination teams comprised of representatives from DHS and the Departments of Defense and Health and Human Services to oversee, coordinate, and execute National incident management responsibilities. DHS also coordinated outreach efforts to Congressional, State, local, Tribal, private sector, and international officials regarding the H1N1 outbreak.
- Since January 20, 2009, Louisiana and Mississippi have received more than \$2.1 billion in public assistance from DHS, including \$125 million for debris removal and emergency protective measures, \$935.5 million in public works and infrastructure projects, \$258 million for mitigation activities to increase resilience and more than \$542 million for K–12 education. In addition, more than 6,000 displaced households in Louisiana and Mississippi have been transitioned to permanent housing.
- To cut through red tape and streamline and expedite the decision-making process for public assistance for recovery efforts in the Gulf Coast, DHS established two joint public assistance teams and a new arbitration process to resolve longstanding issues over public assistance funding. Over the past 10 months, the Joint Expediting Team and the Unified Public Assistance Project Decision Team have resolved 156 projects, distributing more than \$100 million dollars to support the repair and replacement of fire and police stations, schools like the Southern University of New Orleans and Holy Cross School, libraries, and other infrastructure critical to the recovery of Gulf Coast communities.
- FEMA has responded to 47 declared disasters since January 21, 2009, including the Red River flooding in North Dakota and Minnesota, the September flooding in Georgia, and the earthquake and tsunami that struck American Samoa.

Unifying and Maturing DHS

Six years since the Department's creation, DHS' goal remains the same: One enterprise dedicated to a shared vision for homeland security. Over the past year, DHS implemented a series of wide-ranging efficiency initiatives that leverage the economies of scale in DHS in order to recover millions of dollars and create a culture

of responsibility and fiscal discipline. At the same time, the Department leveraged new technology to improve DHS operations, coordination, and outreach.

- DHS broke ground on its new headquarters at the St. Elizabeths Campus. While DHS currently operates in more than 40 offices around the National Capitol Region, the consolidated headquarters will unify DHS' many components into one cohesive department and is expected to save taxpayers \$163 million over the next 30 years.
- DHS launched the Efficiency Review Initiative to improve efficiency, streamline operations, and promote greater accountability, transparency, and customer satisfaction through a series of initiatives—including eliminating non-mission critical travel, renegotiating contracts, utilizing Government facilities instead of private rentals, reducing printing and postal mail and maximizing the use of web-based communication, training and meetings, implementing energy efficiencies in DHS facilities and maximizing DHS' buying power to receive the lowest price possible when acquiring office supplies and software licenses. These initiatives collectively are expected to lead to hundreds of millions of dollars in cost avoidances. This past year, DHS identified more than \$100 million in cost savings including \$22 million by eliminating non-mission critical travel; \$16 by utilizing software licensing agreements DHS-wide; \$7 million through the mandatory review of contracts; \$9 million by eliminating redundancy in processing mariner credentials; \$8 million by consolidating the DHS sensitive-but-unclassified portal system; almost \$4 million by posting documents on-line or using e-mail in lieu of printing and postal mail; \$2 million by streamlining boat maintenance and support schedules; \$2 million by utilizing Government facilities instead of private rentals; almost \$2 million by increasing energy efficiencies at facilities and many more examples across the Department.
- S&T launched the Virtual USA initiative, an innovative, information-sharing initiative that helps Federal, State, local, and Tribal first responders communicate during emergencies by linking disparate tools and technologies in order to share the location and status of critical assets and information—such as power and water lines, flood detectors, helicopter-capable landing sites, emergency vehicle and ambulance locations, weather and traffic conditions, evacuation routes and school and Government building floor plans—across Federal, State, local, and Tribal governments.

SELECTED DHS HIGH-PRIORITY PERFORMANCE GOALS

Preventing Terrorism and Enhancing Security

- *Improve security screening of passengers, baggage, and employees while expediting the movement of the traveling public (aviation and surface transportation security).*—Fiscal year 2011 initiatives include deploying new technology, law enforcement, and canine assets at domestic airports, enhancing checkpoint technology, implementing the Transportation Workers Identification Credential (TWIC) program—which requires transportations workers to obtain a biometric identification card to gain access to secure areas of transportation facilities, and strengthening our Visible Intermodal Prevention and Response (VIPR) teams—which use unpredictability to deter, detect, and disrupt potential terrorist activities, will help us to achieve these goals.

Securing and Managing Our Borders

- *Prevent terrorist movement at land ports of entry and maritime borders through enhanced screening while expediting the flow of legitimate travel.*—Fiscal year 2011 initiatives include implementing the Western Hemisphere Travel Initiative by deploying new technology, upgrading our processing capabilities at border checkpoints, and enhancing information sharing among law enforcement, as well as continuing recapitalization of aging Coast Guard surface and air assets to quickly and effectively respond to emerging threats.

Enforcing and Administering Our Immigration Laws

- *Improve the efficiency of the process to detain and remove illegal immigrants from the United States.*
- *Improve the delivery of immigration services.*—Fiscal year 2011 initiatives include increasing our targets for detaining and removing dangerous criminal aliens from the United States through our Secure Communities program—which uses biometrics to identify and remove criminal aliens incarcerated in State and local jails—by 4 percent per year. Additionally, we will improve the delivery of immigration services by modernizing our adjudication process for new immigrants and potential citizens.

Ensuring Resilience to Disasters

- *Strengthen disaster preparedness and response by improving FEMA's operational capabilities and enhancing State, local, and private citizen preparedness.*—In fiscal year 2011, FEMA will continue to enhance its training programs to help State and local entities prepare for all types of disasters. FEMA is also developing a National strategy to house up to half a million households within 60 days of a disaster—increasing current capacity by 200 percent.

Maturing and Strengthening the Homeland Security Enterprise

- *Mature and unify the Homeland Security Enterprise through effective information sharing.*
- *Improve acquisition execution across the DHS acquisition portfolio, by ensuring key acquisition expertise resides in major program office and acquisition oversight staffs throughout the Department.*—In fiscal year 2011, our efforts will focus on information sharing across all departmental components. Additionally, the Department is undertaking an initiative to enhance the capability and capacity of its acquisition workforce to ensure that major acquisition projects do not exceed cost, schedule, and performance objectives.

We will focus on these goals over the next 2 years and continue to work closely with the Office of Management and Budget in the monitoring and reporting of milestones and performance measures associated with them. As we continue the Bottom-Up Review associated with the QHSR, we may update these goals and associated measures.

CONCLUSION

The fiscal year 2011 budget proposal reflects this administration's continued commitment to protecting the homeland and the American people through the effective and efficient use of DHS resources. As outlined in my testimony today, the Department will build on past successes in several areas including information sharing with our partners, aviation and port security measures, and immigration reform efforts.

Thank you for inviting me to appear before you today. I look forward to answering your questions and to working with you on the fiscal year 2011 budget request and other issues.

Chairman THOMPSON. Thank you very much for your testimony.

I will remind each Member that he or she will have 5 minutes to question the Secretary. I will now recognize myself for the first question.

Madame Secretary, it goes to the issue of maritime cargo screening. Congress thought, along with leadership, Ms. Harman and some other folks, that our ports and the whole issue of screening and the vulnerabilities associated with not knowing what is coming into the country was a real issue. We passed legislation mandating 100 percent scanning by 2012.

Since that time the Secretary before you and now you have taken the position that it can't be done. This budget reflects a 48 percent decrease in resources to do that. Explain that to the committee, please.

Secretary NAPOLITANO. The monies requested for the Container Security Initiative reflects the fact that with increasing technology and increasing implementation of initiatives that were begun under my predecessor, that we can achieve the screening necessary of containers and cargo with the 10+2 rule, which is now in effect with electronic records of what is in cargo, which is now in effect with 24-hour notice of what is in cargo, which is now in effect, all things that didn't exist, really, at the time that the 100 percent requirement was contemplated. So we have been addressing this from a risk-based and a technology-based approach to get to where we need to be.

Chairman THOMPSON. Are you going to propose to change the law that Congress established, saying 2012 is the date that the 100 percent has to be maintained?

Secretary NAPOLITANO. Mr. Chairman, I think I have been pretty—my assessment, and I looked at it independently of my predecessor, but my assessment has turned out to be the same as his, which is that the 100 percent requirement is not achievable by 2012. So we will need to work with the committee this year on what we are asking for, how it will secure our ports, and what statutory changes may need to be made.

Chairman THOMPSON. So based on what you just said, what is your best guess as to when 100 percent cargo screening will be attained?

Secretary NAPOLITANO. Mr. Chairman, I would like the opportunity to address with the committee, if not today, at some other time, whether the 100 percent screening is really the way to go, now that we know more than we did when the 100 percent screening requirement was imposed.

Chairman THOMPSON. Let me say it would benefit the relationship if that request would come before we read it in the paper that you can't do it. Our expectations, Madame Secretary, is that if there is a law with deadlines on it and there are problems, please come talk to us. But when we read about it in the newspaper that you are not going to do it, it is a problem.

I say to you if you can't do it, we hear the part, but the public expects some direction toward satisfying the 100 percent mandate. Congress expects it.

The other issue is last year you talked about the issue of collective bargaining rights for TSOs. Can you tell me, based on last year you told us that you were checking with general counsel and general counsel would tell you whether you could do it, do you have the authority to act administratively on collective bargaining rights?

Secretary NAPOLITANO. Let me take two points, Mr. Chairman. First of all, I am sorry if you read about the 100 percent in the paper. I have testified on that before, before in the Senate, and I think I also submitted some statements in that regard.

But I think we need to further that dialogue, because we need to look at what is the best way to secure our ports, the cargo that comes into the ports, and the myriad ways that cargo comes into our ports. The plain fact of the matter is I think we just plain know more now than we did when the 100 percent requirement was developed.

So I look forward to testifying or bringing information before this committee, because we have—I know I have, at least—testified at least once on this.

Moving forward on the collective bargaining issue, my understanding is that we do have the authority to collective bargaining under the current law.

Chairman THOMPSON. Do you plan to exercise this authority?

Secretary NAPOLITANO. We are working with our TSOs, but we are not collectively bargaining with them right now.

Chairman THOMPSON. You are aware that we have had a vote in the House on this issue in the past—

Secretary NAPOLITANO. Indeed.

Chairman THOMPSON [continuing]. And that the House said it is fine to do it.

Secretary NAPOLITANO. Indeed.

Chairman THOMPSON. Thank you.

I will yield to the Ranking Member for 5 minutes.

Mr. KING. Thank you, Mr. Chairman.

Madame Secretary, on the issue of Secure the Cities, you and I have been through this before, but the House has in a number of times in separate votes overwhelmingly indicated support for this program. I believe it is absolutely essential. If we look at Madrid, if we look at London, it is very likely the next attack against a major urban area is going to come from outside.

The ultimate nightmare would be a dirty bomb coming in. New York City has set up a Secure the Cities nuclear detection system, basically, which forms a guard around the city, the highways, the bridges, tunnels leading into the city from the suburbs. It involves, I believe, 70 different law enforcement agencies from throughout New York, New Jersey, Connecticut, and yet it has been zeroed out in this year's budget.

We seem to go through the same argument. The money hasn't been spent. Actually, as far as I know—I have been going through it—all the money has either been spent or obligated or is awaiting approval.

For instance, on the 2009 funding, even though the budget was adopted, you know, long ago, it was not awarded to New York until October 2009. Still, applications are in, and so there is really no money to be accounted for. It is either spent, obligated, or awaiting approval from the Department, from DNDO.

I just think a serious mistake is being made here. It puts the city at risk, and not just New York City, but the way the legislation is drafted, money will also be spent in other cities around the country.

Secretary NAPOLITANO. Congressman, first of all, I recognize that New York City and the area around it is a target, as far—and we know that. It receives literally hundreds of millions in various programs because of that.

Securing the Cities, however, was one small program relative to the denominator. It was designed to be a 3-year grant program, after which if New York City wished to pursue it, they could use UASI or other grant monies.

We do have one of these budgeteer issues going on. Has New York City actually even obligated the money they have already received that is in the pipeline or not? Our budgeteers say they haven't. I am given to understand that New York City believes it has. Somewhere there ought to be an agreement there, but there is that.

But the more important point, I think, is that as a pilot program, which it was, a 3-year, it has not yet now—it is now time for be—to be really assessed independently as to whether it is effective or not, given and comparing it to other types of protective technologies and programs that are available there.

I think that that audit—or it is not an audit; it is really an assessment—will be happening this year, but we need to proceed for-

ward and really make sure that if we are going to continue funding Securing the Cities, if the Congress wants to, it really is value added to the other millions of dollars that we are putting into the greater New York area.

Mr. KING. Again, there is, then, I would say a basic misunderstanding. I don't believe it was ever believed by New York that this was just going to end after 3 years as far as the funding—

Secretary NAPOLITANO. Yes.

Mr. KING [continuing]. Just by the nature of the program. I think it is not just New York. It is New York, New Jersey, Connecticut, over 70 police departments and law enforcement agencies. I will let my friend, Mr. Pascrell, discuss it later.

But it was never my understanding or anyone in the city, I don't believe, that this was to end after 3 years. It just wouldn't make sense. But in any event, I would like to follow this through with you and perhaps set up meetings with Commissioner Kelly on that.

On the issue of the 9/11 trial in New York, were you ever consulted prior to the announcement by the Attorney General that it was going to be held in New York?

Secretary NAPOLITANO. I was not.

Mr. KING. Okay. My understanding is you have been appointed—you were, or the DHS was, part of a task force after the fact to determine the security course of the trial in Lower Manhattan. I had sent a letter to you and to the attorney general and to Director Leiter on January 29 requesting a copy of the classified threat assessment. I have not heard from you.

I realize you have many letters on your desk and you have a broken leg, but if you could get that to us, because that to me, I would like to see how that threat assessment is being analyzed, what was taken into account, even if it was after the fact, especially in view of the Vice President's statement that he thinks that the number of \$200 million or \$230 million is an exaggeration. So if you can make that classified report available to us on the committee, it would be very, very helpful.

Secretary NAPOLITANO. Yes, I will follow up on that. I believe the budget request is for up to \$200 million for terrorism trials per se. I think that contemplates that there could be other trials as well during fiscal year 2011. I know, Representative, you are focused on the KSM announcement, the KSM trial, but I believe the actual budget request was a little broader than that.

Mr. KING. I see my time is running out. Let me just ask one quick question for yes or no. Are you aware of any of the cities that are being considered for a Guantanamo detainee trial? You said the money could go places other than New York. Are you aware of any other city?

Secretary NAPOLITANO. It is my understanding that those assessments are being done by the Department of Justice.

Mr. KING. Okay.

Thank you, Mr. Chairman.

Chairman THOMPSON. Thank you.

Now I recognize the gentleman from Texas for 5 minutes. Mr. Cuellar.

Mr. CUELLAR. Thank you, Mr. Chairman. Mr. Chairman—

Madame Secretary, good seeing you again—just to note procedural issue that I think was raised by the Chairman, one of the questions that we had asked was what was it, the 181 Border Patrol. I think at one time you all had said we are going to cut them by attrition, and then it came back and said we are not going to cut them.

Alison, our staff, got the e-mail from you all today saying, “Let Mr. Cuellar know we are not cutting 181 Border Patrol as originally proposed. We are taking this money elsewhere out from CBP to cover the \$50 million comp.”

The problem is we get this around 12:30 today, and we read it before that time in the—what was it—in the newspaper today. It is one of the issues that we have been asking, Madame Chair—I mean, Madame Secretary, that, you know, we are the oversight committee. We would like to get this before the media does, because when the media gets this—and nothing against the media—but when they get it before we do as oversighters, it just puts us in a very uncomfortable situation.

So I would ask you again, you know, if you can just have your staff trust us and provide us the information before the media does. I mean, I have the memo here from Alison. I asked her, “When did you exactly get it,” and then the newspapers. So I would ask you as a procedural question to do that.

The second thing is is the Coast Guard, the memo about them reducing the global terrorism missions. I am looking at it right now, and I am not going to go into detail, but if there is going to be a change in the mission, the mission of the Coast Guard, and you are taking the global terrorism mission to do more search or rescue, again, like the Chairman said, let us know before. At least give us a little heads-up on some of the matters again.

We want to work with you. We want to be your friend and supporter on this. We want to just ask you to work with us on this. Do you want to address this? I want to talk about the good work you do with Mexico, which is what I want to conclude with.

Secretary NAPOLITANO. Well, if I might, that clarification on the CBP budget request was that is an exchange that has been going on with the appropriators, and I will let staff work with your staff on it. Do you want that? But if the press picked up something that was going on back and forth with the appropriators, I think that explains that. That is traditionally how that has been done.

I think the Coast Guard memo to which you refer is a internal draft option paper that goes all the way back to last November and before the President’s budget was even finalized. It is not something that is operative, nor is it where the President nor I believe the Coast Guard should go.

So, unfortunately, it is one of those things in this town. Paper leaks out like water through a sieve, and that should—but that is an internal pre-decisional paper.

Mr. CUELLAR. Okay. Thank you. So it is not—okay, good.

On the story that came out also today, and the Washington Post apparently picked up a lot of things today, the question is about contractors outnumbering Federal workers. I saw your response to Senator Lieberman. My thing is I can understand the usage of

some contractors. I don't have a problem against contractors, but, you know, you got to have some sort of balance.

My only thing is that if you provide performance and oversight and performance measures to make sure that we are measuring that is that I am hoping that that is applying to those individuals, because if this story, and it is probably wrong, says that contractors employed by Homeland outnumber the number of Homeland Security people, I think that is going to raise some issues to a lot of Members on that.

Secretary NAPOLITANO. Right.

Mr. CUELLAR. Does it outnumber? Do contractors outnumber?

Secretary NAPOLITANO. Representative, it doesn't outnumber, but it is too high a number. There are reasons for that. When the Department was put together so quickly, given all the missions that it had and that were added to it, in order to move quickly enough, the use of contractors was required.

What the Department has not had is a plan in place to convert those positions into Federal employees. That is what we are now pursuing through the Balanced Workforce Initiative. A problem we have in speeding that up—and I would like to speed it up, Mr. Chairman—is the pure length of time that it takes to on-board a Federal employee under the current statute rules and regs that govern civilian employment.

It is something that at Senate Homeland Security yesterday, I said it is a problem Government-wide. But certainly for DHS as the newest department, it has slowed down, a conversion that we would like to do as rapidly as possible.

Mr. CUELLAR. My time is up, but just whatever you do working with Mexico—I know you were over there, and I want to congratulate you—keep up the good work, because I think we need to do a little bit more. We might have to look at, my opinion, maybe at 2.0, because they are in serious situations in what is happening.

Thank you, Mr. Chairman.

Thank you, Madame Secretary, for the work that you do.

Secretary NAPOLITANO. Thank you.

Chairman THOMPSON. Thank you very much.

Madame Secretary, if you could provide the committee with some outline of who these 200,000 people are. I know you can categorize them, you can do whatever you want, but based on what Mr. Cuellar is saying, we need to know are these professional people? Are these clerical people, or just what they are? So you don't have to give the title position, but—

Secretary NAPOLITANO. Kind of categories?

Chairman THOMPSON. Absolutely. That would help.

Secretary NAPOLITANO. I think we already have that, but we will get that to you, Mr. Chairman.

Chairman THOMPSON. Thank you.

I would like to ask unanimous consent to recognize Mr. Dent out of order. He has a family emergency he is going to have to attend. Without objection. Mr. Dent.

Mr. DENT. Thank you, Mr. Chairman.

Thank you to the Members for your accommodation.

Madame Secretary, thank you for being here, and particularly under your situation with your ankle. I just have a few questions

for you today, but first just let me discuss an issue near and dear to the hearts of my fellow Pennsylvanians.

Madame Secretary, I cannot support and in fact, I will vehemently oppose any attempt by the administration to relocate Guantanamo terror detainees to the Commonwealth of Pennsylvania, whether for detention or for prosecution, especially given the Flight 93 crash in Shanksville, Pennsylvania, on 9/11.

Having recently visited the Gitmo facilities, I see absolutely no reason why these trials must be held in this country in the United States, let alone in the Commonwealth of Pennsylvania, and I will do everything within my power to prevent detainee trials from being held within the Commonwealth. Please, please encourage the Justice Department to look elsewhere. Certainly, I know that—I believe that is in their court. Please convey that message.

That being said, I have some issues regarding the Department's budget request that I would like to discuss with you. In 2008 the Department promulgated the Larger Aircraft Security Program, known as the LASP program, the proposed rulemaking regarding general aviation security. John Sammon from TSA was working with industry to redefine those requirements to ensure that they were smart, sensible, and most importantly, enforceable.

In light of the Austin, Texas, incident, can you please tell me where we are in the issuance of either an amended rulemaking or a completely new rulemaking for general aviation security?

Secretary NAPOLITANO. Yes, Representative. We are, obviously, taking a fresh look. We had done a proposed rule. We have been working with the general aviation community. We have the comments back. We had been prepared to issue a revised rule, but I have asked that we take another look at the rules in light of what happened to just to make sure that we are making the right judgments in terms of what kinds of security measures should be in place for what size of aircraft.

Mr. DENT. Okay. Thank you. I have long been a proponent of using this advanced imaging technology or whole body imaging, and I know that you have been supportive as well, for improving our passenger security screening capabilities. I appreciate the investment that this budget proposes in these new state-of-the-art technologies.

However, even if we had these 500 new AIT machines in place, they wouldn't have stopped Abdulmutallab from killing 300 people on Christmas day. He was—from almost killing 300 people—he was screened overseas.

While I understand you have been working with the International Civil Aviation Organization to strengthen these international security standards, are you willing to go it alone and require tougher security standards for flights entering the United States if the ICAO proves unhelpful?

Secretary NAPOLITANO. Well, the international aviation security work that we are doing right now is going very, very well. We have had meetings in Spain with my colleagues from the European Union. We just came back from Mexico City, where we had a Western Hemispheric meeting.

Everybody realized that they all had citizenry on Flight 253—or could have—and that there was a necessity to raise world aviation

standards in terms of information collection, in terms of sharing information about passengers, passenger vetting, and in terms of airport screening and security itself. So that is going very well. We will be in Tokyo next week to meet with the aviation community in Asia.

We always have the option, Representative, of refusing an airport to have a last point of embarkation to the United States. I don't know that that option has ever been employed, but we always retain it. But I think it better, given the fact that people need to be able to travel and commerce needs to be able to move and as well as meeting our security demands, to see if we can in this global world raise the overall level of aviation security.

Mr. DENT. Okay. Well, thank you for that update.

In August of this year, the 9/11 Act passed by Congress 3 years ago would require all foreign in-bound passenger aircraft to screen its cargo prior to the aircraft's entry into the United States. The Department and TSA made it quite clear that they will not be able to meet the statutory requirement.

Since the law requires you to ensure that 100 percent of all air cargo is screened, how are you going to handle those foreign in-bound aircraft who on August 4 had not screened their cargo? Will you prohibit their entry into the United States?

Secretary NAPOLITANO. Representative, I would prefer to brief you a little bit individually on that, but let me just say by the end of the year we should meet that 100 percent requirement on the air-bound cargo.

Mr. DENT. Foreign air-bound cargo?

Secretary NAPOLITANO. Foreign. We will by early this year we will be all domestic, but my understanding is by the end of the year we will get to 100 percent on air-bound cargo from international.

Mr. DENT. Okay. I was under the impression that we were not going to meet that foreign standard by August 4, so I would be curious—

Secretary NAPOLITANO. Not by August 4, but by a few months after that. I think we are on track to meet that standard. I will have that double-checked.

Mr. DENT. Okay. Thank you.

I will yield back. Thank you, Mr. Chairman, for the accommodation.

Chairman THOMPSON. The Chairman now recognizes the gentleman from Pennsylvania, Mr. Carney.

Mr. CARNEY. Thank you, Mr. Chairman.

Secretary, thank you for coming in today. It is good to see you.

To start, I am going to start talking to you about the QHSRs. As you know, as the Chairman of the Management, Investigations and Oversight Subcommittee, we are pretty concerned about it. We have held a number of hearings and a number of briefings. I was really pleased to see the final product come out, although I think that there is probably some detail that is missing.

Now, I know that you are going to issue fairly soon the Bottom-Up Review, the BUR.

Secretary NAPOLITANO. The BUR, yes.

Mr. CARNEY. Yes. I am very interested to know a number of things. First of all, what is the date we are going to have that?

Secretary NAPOLITANO. Representative, the BUR process is well under way. Sometime between the end of March and the beginning of April or the middle of April you should have the BUR.

Mr. CARNEY. Okay. That is pushed a bit from what I was told earlier, but make it closer to the end of March, please. When will the Department start working on the next QHSR?

Secretary NAPOLITANO. I have kind of been focused with getting that BUR done. Let me get back to you on that.

Mr. CARNEY. Okay. When do you begin—when do you think you are going to start requesting funds for the next QHSR, though?

Secretary NAPOLITANO. I am not sure I understand the question, Representative. You mean to do the QHSR?

Mr. CARNEY. If you do the next one, exactly, yes.

Secretary NAPOLITANO. Okay. I apologize. I didn't understand the question. I think it may be something that we look at in the 2012 budget.

Mr. CARNEY. Okay. Going forward, will the QHSR and the BUR be one document, then?

Secretary NAPOLITANO. I think that is ideally yes, for obvious reasons. But I think that in our desire and yours to move the QHSR through and given that when I began as Secretary, it really was not—

Mr. CARNEY. Ready for prime time.

Secretary NAPOLITANO [continuing]. Had not been moved along, we wanted to move very, very rapidly and really establish the vision for the Department, matched by the BUR, which you will have very shortly. By the time we get to our second QHSR, we should be through that kind of disconnect.

Mr. CARNEY. Okay. Good.

I want to switch gears here slightly. As you know, at yesterday's budget hearing in the Senate Homeland Security Committee, the Ranking Member stated that the inspector general was unable to make comments on time to OMB regarding the OIG budget request. The Ranking Member also stated that the IG told her that the budget requested for the OIG would "significantly inhibit his ability to carry out the responsibilities of his office."

Like many other offices, the OIG's budget was flatlined. For fiscal year 2011 you are requesting \$129 million, and according to the IG Reform Act, your budget request must include comments from the IG's office about the resource needs, and no such comments were furnished for the 2011 budget. Do you know why that happened? Can you explain that?

Secretary NAPOLITANO. Again, I can explain because the IG's budget has been increased the last few years, it was flatlined this year in light of the fiscal discipline that we were all undertaking. As I understand it, the IG put the comments in the Congressional justification, but again, you know, the IG is kind of a semi-independent wing, and they don't go through us in that regard.

Mr. CARNEY. Are they supposed to go through you in that regard?

Secretary NAPOLITANO. No, I don't think so.

Mr. CARNEY. Okay. I want to read you an e-mail that we received this morning in my district office, and they forwarded to me before I came on.

It said, "Dear Congressman Carney, I am very happy to know that you support the work of the Border Patrol in curtailing illegal immigration. For this reason I feel compelled to write you about a matter that my son recently spoke to my husband and I about. My son is a Border Patrol agent stationed in Tucson, Arizona. He has told us that funding for the Border Patrol has been cut and as a result, vehicles and equipment are not being maintained, overtime is being cut, and adequate manpower to provide backup and cover the vast terrain is not available. As parents, our concern for his safety while on the job is paramount. As an agent who loves his job, however, my son's concern is that areas are being left unpatrolled and will allow free passage of drugs and illegals into the U.S."

How can we respond to this person's mom? Is this true?

Secretary NAPOLITANO. I would say, "Dear Mom, your son is highly misinformed."

[Laughter.]

I know that Tucson sector like the back of my hand. I worked that Tucson sector since 1993. We have increased every possible resource there—manpower, equipment. We have built a new Border Patrol station. It is a key area for us, because the Arizona Sonora quarter is a lead quarter for illegal immigration and drug trafficking. I would be happy to give you some direct numbers just on the Tucson sector, but I would be happy to write the mom myself, if you would like me to.

Mr. CARNEY. Well, I may take you up on that offer. Thanks.

[Laughter.]

But I am fairly familiar with the sector as well, and we have some issues, of course, with P-28 and the fencing and things like that, and we can address that perhaps in the next round of questions.

I yield back.

Chairman THOMPSON. Thank you very much.

The Chairman now recognizes the gentleman from Texas, Mr. Smith.

Mr. SMITH. Thank you, Mr. Chairman.

Madame Secretary, let us go to the subject of worksite enforcement. Today in the United States there are 15 million people who are out of work. They and their families are hurting greatly, yet at the same time we have about 7 million people in the country who are working here illegally. If we were to just enforce the current immigration laws on the books, we might cut unemployment in half.

When I think about the impact that could have on our country if we did enforce laws and cut that unemployment rate in half, you have the opportunity to be a National heroine by enforcing the laws.

Let me give you some facts about what I perceive as a lack of enforcement. In the area of administrative arrests are down 68 percent, criminal arrests down 60 percent, criminal indictments down 58 percent, and criminal convictions down 63 percent. In all those

categories—arrests, indictments, convictions—they are all down 58 to 68 percent, all in 1 year. That is quite a record.

My question is why don't we enforce immigration laws and create more jobs for unemployed Americans?

Secretary NAPOLITANO. Well, Representative Smith, let me just say that I believe that enforcement of our Nation's immigration laws is not only important, but particularly when we have an unemployment rate in the country the way we do, to make sure that we have effective worksite enforcement. So let me describe how we have gone about it.

Mr. SMITH. Well, if you would answer my questions first about why these statistics are down so much. The arrests, the indictments, the convictions are all down.

Secretary NAPOLITANO. Indeed. So let me, if you might—let me answer that directly. First of all, I-9 audits of companies are up substantially—record numbers.

Mr. SMITH. Yes.

Secretary NAPOLITANO. We can bring more—

Mr. SMITH. Let me concede that. Audits are up, notices of intent to fine. By the way, notice of intent. Even when they are fined, the companies consider it just the cost of doing business. If you want to reduce the number of illegal workers, these statistics should have gone the opposite direction. Why don't you let your ICE agents arrest more people, detain more people, and free up those jobs for unemployed Americans?

Secretary NAPOLITANO. Can I speak?

Mr. SMITH. Please. I hope you will answer the question.

Secretary NAPOLITANO. All right. Let me describe what we are doing. We have substantially increased I-9 audits. More employers are being subject to fines. We have more employers than ever signed up on E-Verify to verify legal residency before you even begin employment. We have record numbers of criminal alien removals from this country, record numbers of criminal alien arrests in this country, more than any other year prior to this. We have had more I-9 audits this year—

Mr. SMITH. Right. But we are talking about worksite enforcement—worksite enforcement.

Secretary NAPOLITANO [continuing]. And worksite enforcement is all part of that.

So I think if you spoke with members of the business community, they would say, "Get ICE off our backs, because they are all over the place, making sure that we comply with the immigration laws." We will continue to do that.

Mr. SMITH. Well, I am not hearing that. I don't think many of those criminal aliens were worksite enforcement cases. I am talking about individuals who are working illegally in the country, and if we were to enforce immigration laws, we could free up those positions for a lot of unemployed Americans.

Let me go to US-VISIT. As you know, we have a budget this year proposed by the administration that did not request a single dollar for the US-VISIT exit side of the program. US-VISIT was implemented. It was a bill that I introduced in 1996 that became law.

As you know better than I, 40 percent of all the people in the country illegally are visa over-stayers. If you want to know who they are, if you want to know whether they have left this country or not, you have to have an exit system.

The administration does not have any money for that biometric exit system. Why aren't they interested in reducing the 40 percent number of the people who are in the country illegally? You can't do it unless you know who they are.

Secretary NAPOLITANO. Well, I don't think—Representative, your question presumes that there is no money for US-VISIT. The fact of the matter is that—

Mr. SMITH. No, I just asked you why there wasn't an increase, if you are going to increase the money for US-EXIT.

Secretary NAPOLITANO. Please, there is \$50 million that it has been unallocated that we are carrying forward for US-VISIT.

Mr. SMITH. Okay. Let us hope you implement the program, if you are serious about addressing that problem.

My last question is a follow-up to the Ranking Member's question a while ago when he asked you what other cities were being considered as locations to try the Gitmo detainees. You responded by saying that DOJ was assessing it. But his questioning was what other cities are being considered, not who was assessing it. Let us stipulate that no decision has been made as to which city, but surely you know what cities are being considered. On behalf of the American people, I would like to ask you what are those cities.

Secretary NAPOLITANO. Representative, I am not privy to that information right now.

Mr. SMITH. You do not know what cities are being considered, and you are Secretary of the Department of Homeland Security?

Secretary NAPOLITANO. Sir, I personally am not part of those discussions.

Mr. SMITH. Okay.

Thank you, Mr. Chairman.

Chairman THOMPSON. Thank you very much.

The Chairman now recognizes the gentleman from Missouri, Mr. Cleaver, for 5 minutes.

Mr. CLEAVER. Thank you, Mr. Chairman.

Thank you, Madame Secretary. I want to talk—let us talk technologies. Last October GAO submitted a report to us that identified underlying weaknesses in TSA's decision-making with respect to acquiring new screening technologies.

If we are going to assess intelligently your proposal that TSA receive \$700 million to purchase and deploy these new technologies, it would be important, at least for me, to know whether TSA plans to or has prepared risk assessments and cost benefit analysis with performance measures to support the decision to deploy these technologies.

Does the Science and Technology Directorate have—what role does science play in these technologies?

Secretary NAPOLITANO. Right. It is in two ways. First of all, yes, we are using risk assessment. Yes, we are employing performance metrics. As part of our efforts now, actually the S&T Directorate of the Department has entered into MOUs with two of the National

labs to work on a screening technology and how we continue to improve the airport and security screening environment.

Mr. CLEAVER. Let us move to the WBIs. I am in the process of writing an op-ed piece for my hometown newspaper, and I have struggled with this whole issue, as I am sure all of the Members of this committee. But the administration has decided that they are going to support this. We are talking about 100—1,000, I guess, whole body imaging machines.

Secretary NAPOLITANO. Scanners, right.

Mr. CLEAVER. Scanners, equipment. There is always paranoia by travelers, and I think that this, while it may maybe end up—I may end up being one of the strongest supporters of it. But is there any kind of way that we can convince the public with factual information that the machines are not storing images and that we won't see them on somebody's Facebook—

Secretary NAPOLITANO. Yes.

Mr. CLEAVER [continuing]. Or on the internet or on the Salahi's program?

[Laughter.]

Secretary NAPOLITANO. First of all, the current iteration of the technology doesn't really even show a face at all. It really is designed to ascertain anomalies that can be further looked at through secondary inspection. Second, the reader isn't even where the person is, so there is no association there.

Third, the image is not stored. That is part of the—how can I say it—it is part of the contract, the technology, everything else, that there is no storage of the image itself. It is merely designed to ping upstairs to an examiner downstairs if there is an anomaly that shows.

I have seen some of the newspaper pictures of the image. They used a very old first-generation version of what actually shows up. The technology now has really mitigated the privacy concerns, so hopefully we can work with you, but also with the committee, too, because I do think it is a very important investment for the country to make, to satisfy people that this is not designed to be anything other than an objectively better way to protect people on aircraft.

Mr. CLEAVER. My final question, and I agree with you, but, you know, people are concerned nonetheless. Then we have a religious group that is also concerned about it because of their own religious beliefs, which I respect.

But I wonder if we reduce the paranoia, the skepticism, if we have same-gender scanners like we do presently when we go through the screening. I mean, you know, the men are going to be dealt with by men, and women by women. So I am wondering can we do that with screening? Or does that generate a cost factor that causes it to be cost-prohibitive?

Secretary NAPOLITANO. Well, a couple of things. One is, remember, the person who is reading the screen is not down there—

Mr. CLEAVER. Yes, I understand that.

Secretary NAPOLITANO. All right.

Mr. CLEAVER. But what I am saying, Madame Secretary, I mean, to somebody sitting at home, who flies three or four times a year, and they are scared that, you know, that their beauty will be seen,

I mean, it seems to me we need to do everything we can to create comfort.

Secretary NAPOLITANO. Right. We are working through that particular issue, but remember the passenger always has the alternative of going through the standard way, the magnetometer with the possibility of a patdown. They would have to do that anyway, if they were trying to get on the plane. So that option is retained.

What we have seen in the pilot projects in the airports where the scanners have been deployed is that 98 percent of the passengers prefer just to go through the scanner. So but again, airports are retaining an optional avenue as well.

Mr. CLEAVER. If the Members of our committee could go through and then we come to have a committee hearing and see if we could find that—see if we can figure out who is who. I think if we can't figure out who is who, then I think it ought to run. Makes it a good deal.

Thank you, Mr. Chairman.

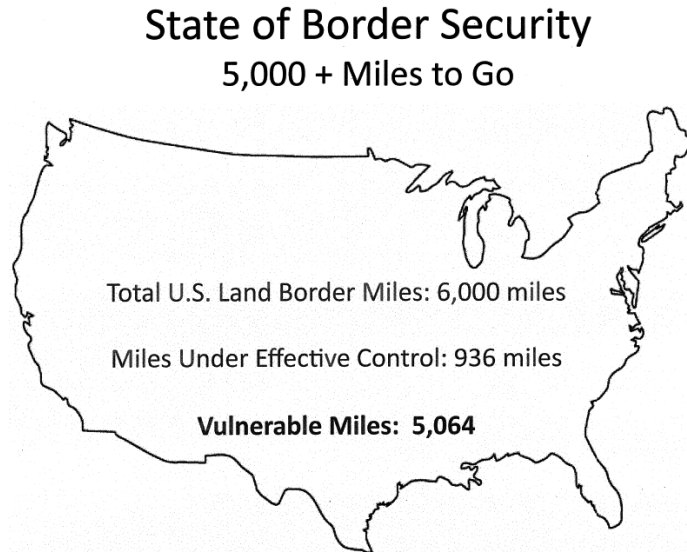
Chairman THOMPSON. The gentleman's time has expired.

The Chairman now recognizes the gentleman from Indiana, Mr. Souder.

Mr. SOUDER. Thank you, Mr. Chairman.

Madame Secretary, you said that securing the border is one of the most important missions in the Department, and I have several slides I would like to show.

[The information follows:]

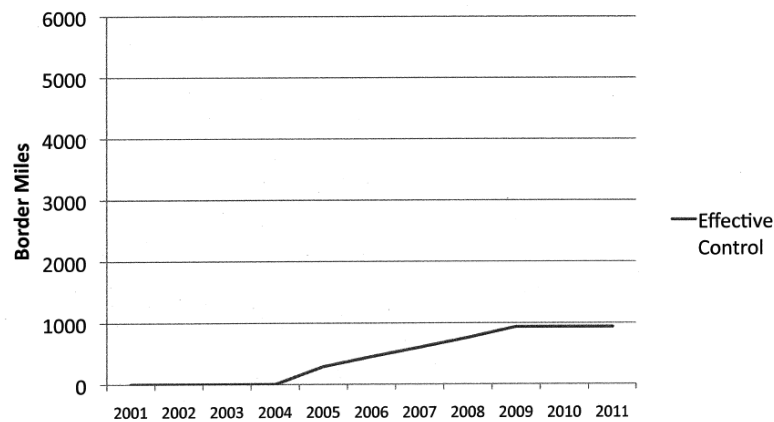


Congressman Mark Souder (R-IN), Ranking Member, Subcommittee on Border, Maritime, and Global Counterterrorism

Focus on Border Lags FY 2011 Budget Request

- 181 fewer Border Patrol Agents
- No increase for CBP Officers
- Reduction in Air and Marine Interdiction Pilots
- No new fencing
- No expansion of the SBI^{net} Virtual Fence
- No additional detention bed space

Effective Control of Border Flatlined



Source: Chart developed by Committee on Homeland Security Republican Staff based on information provided in Congressional Budget Justifications between FY2006-FY2011.

Mr. SOUDER. The first slide, if you could put that up on the screen, basically just states the fundamental problem we have. We have 6,000 miles of border. The Border Patrol says we have 936 under control, meaning we have 5,064 that isn't under control. Ba-

sically, we have less than 15 percent under control. This 15 percent safety standard—I mean, it is something I am sure the car companies would like, and I am not sure why car company safety standards should be different than our standards on terrorism.

If we could put our second slide up—I believe that you were provided with copies of those as well—this is extremely troubling. Discuss the Border Patrol agents in a minute, but no increase for CBP officers, a reduction in air and marine interdiction pilots, no new hard fencing, no expansion of the virtual fence, no additional detention bed space. It seems like you are going backwards rather than forwards, even though we are less than 15 percent.

Now, I heard you say and explain earlier. The minority has not received any confirmation that you changed your budget. Perhaps we should read the Washington Post more closely, but we didn't receive any e-mails that at least that would mean if you are reversing yourself on the cuts, that you have a freeze. But when you only have less than 15 percent covered, it is not clear why we would even be having a freeze.

I think the American people would say if we are going to spend money, this is one of the places we want the money spent, that you really can't control our borders State-by-State. If we could go to the last slide, I think it is extremely telling that the figures in this draft, which came—the line is hard to see there—

Secretary NAPOLITANO. I can't quite see it.

Mr. SOUDER [continuing]. Basically at—and I think you have a copy—basically, after 2008 it stops. According to the Border Patrol, once we received the hard fence and the electronic fence, in 2010 there was nothing, in 2011 nothing to expand it, and you have no future plans that show you intend to expand it, no vision that is stated for how you are going to do it.

You are doing BEST teams, and that is good, and ICE teams, and we have a few things in the air, but as far as functional control of the border, which leads to contraband and people—and contraband and people can be terrorists, it can be narcotics, it can be illegal immigration, but it is basically contraband and people, effective control, not just seeing them, but effective control.

So is your testimony that this budget is sufficient and will increase control of the borders and move us towards control? Are you saying that having 4,300 miles not under control is acceptable? Do you think that our border is still vulnerable? Do you believe that terrorists will exploit this weakness and smugglers such as what we have seen recently with Somalia and how they came across? It was a bunch of Somalians, and we can't find them.

Secretary NAPOLITANO. Can you go back to slide No. 2?

Mr. SOUDER. Yes.

Secretary NAPOLITANO. Let us each take one by, if I might just go through, Representative. First of all, again, as I explained, those positions are not being eliminated. The Border Patrol will have the same, and sustain the same number on the Southern border, and meet the Congressional mandate on the Northern border. In terms of no increase in CBP officers, I think that is related to No. 1.

Reduction for air and marine interdiction pilots. Really what we are talking about there is some consolidation and some elimination of one-time equipment purchases.

No new fencing and SBInet. Let me pause a moment there. First of all, we will complete and virtually—virtually—have completed what Congress appropriated the money for in terms of tactical fence, SBInet. My understanding is—from this Congress and from this committee—is you want to make sure that I spend money smartly and efficiently.

SBInet, a contract and a concept that was entered into years ago, has been plagued with troubles from Day 1. It has never met a deadline. It hasn't met its operational capacities, and it doesn't give us what we need to have. We will complete the first phase of that, but I don't think it would be responsible of me to come to this committee and say based on the performance and the difficulties we have had standing up the first phase, that we should do it all around the border.

The monies of the budget for technology that are border-related are things like mobile imaging technology and the like, which are more facile, which are easily maintained, which are more operable by an actual Border Patrol agent. We want to re-look at SBInet. We will share that with the committee. We intend to do that, but the technology dollars that need to match up with the boots on the ground may be better spent in another fashion.

Mr. SOUDER. Ma'am, Secretary, that in your answer—and I understand the SBInet is being used in the evening, the Border Patrol is still going through the tests, and they are relatively happy with the tests—you have outlined not a single mile of additional control. You are basically saying, oh, well, we are not cutting back. We are doing some consolidation, but we are not cutting back.

Your vision was for partial tracking. Are you saying that there will be additional miles under functional control somewhere in this administration, since we have gone 2 years without an additional mile being added?

What you are saying is you are finishing the Bush proposals, which were 2 years old, but is there going to be another mile done of this part that is it down? Are you saying you are going to have functional control? Border Patrol says there will be no additional miles of functional control. Do you agree with that?

Secretary NAPOLITANO. I don't know where that statement came from, and I am not going to debate a statement I haven't seen the source of or whatever, but let me tell you this. The Southern border is important to us. It is important for any number of reasons, as is the Northern border.

We keep expanding control. We have, for example, with the funds of the Recovery Act, been able to add funding in improvements and technology particularly at the Northern border. A lot of that number you are talking to is really the Northern border.

The Southern border, we are completing the tactical fence you appropriated money for. The technology is going to be there, the manpower. If you look at numbers—and if you want to look at numbers, look at numbers in terms of illegal immigrants, look at numbers of contraband seized—and you will see that we are going—

Mr. SOUDER. I am sorry. Reclaiming my time, under—

Chairman THOMPSON. Excuse me, but you had—

Mr. SOUDER. Unemployment is not a way—

Chairman THOMPSON. Excuse me.

Mr. SOUDER. Unemployment rates are not a way to control immigration.

Secretary NAPOLITANO [continuing]. Controlling immigration.

Chairman THOMPSON. The gentleman's time has expired.

Secretary NAPOLITANO. That is not correct.

Chairman THOMPSON. The gentlelady from Arizona. Mrs. Kirkpatrick, for 5 minutes.

Mrs. KIRKPATRICK. Madame Secretary, nice to have you here. Thank you.

You know, I share your concern about SBInet, and I am glad that you are reassessing the value of that. Does that signal a lessening of commitment to use SBInet or any other kind of technology along the border?

Secretary NAPOLITANO. No. That is what I was trying to clarify this with Representative Souder. Look, that is a big investment. There is a lot of money. It is presumed to have cell tower after cell tower after cell tower across some of the most hostile aspects of the United States in terms of geography and weather and the like.

It has been very difficult to deploy. It has been very difficult to operate. We will finish the first phase, which is actually the Arizona phase, but it has caused a lot of frustration. Rather than be wasteful or unduly delay further technology or other types of technology being used at the border, we think it deserves and merits a fresh look.

Mrs. KIRKPATRICK. Thank you.

Now, I am going to switch direction here a little bit and talk about your fifth mission, which is ensuring resilience to disasters. We recently had a heavy winter storm in northern Arizona, and about a week ago I visited with folks on the Navajo Nation to talk with people—first responders—and we met in an emergency command center that was set up in the community to help folks through.

I wanted to hear from them first-hand what worked and what didn't. It was very apparent that the grit and the guts of the local people really pulled them through the disaster, and thankfully, there were no casualties. But the concerns about what didn't meet are in four areas.

The first one is communication. Communication just did not work, did not work between the National Guard, FEMA, the local first responders. It just fell apart in numerous ways. Maybe I can get you more detail on that.

The second thing was that it is evident that there needs to be more training in the rural areas regarding emergency relief efforts. There was also a lack of collaboration between the various units, so in other words it looked like FEMA didn't know what the National Guard was doing. They didn't know what local communities were doing, a real breakdown in collaboration.

I will just give you one example. They were taking food out eventually with our National Guard trucks to communities, but they couldn't take hay for the livestock. So there was some kind of regulation. They couldn't have hay and food on the same truck. So that is just one example.

But the last thing about what was really interesting is they brought up to me they think there needs to be training regarding cultural sensitivity with the Federal agencies who might be there responding, that there would seem to be a whole lack of understanding of the local culture.

So is there any funding in this budget that you think could be directed to address some of those needs?

Secretary NAPOLITANO. Well, first of all, Representative, what I would—first of all, I will take those suggestions back to the director of FEMA and have them look at this situation directly.

With respect to coordination with the National Guard, that should be occurring, and there should be interoperability. I have some familiarity with those individuals, so I don't know what broke down, but there have been joint exercises, and indeed, in responding to forest fires up in northern Arizona, that that has happened almost without a hitch and very smoothly.

So I think we need to troubleshoot this one in particular and say, well, what happened here. That doesn't normally happen during forest fire season in northern Arizona, where FEMA and the National Guard work together hand-in-hand and have interoperability and have things. For example, I know the National Guard has the accessibility to patch trucks that can be used to patch different types of radio systems with one another. So we will have to troubleshoot this one in particular.

Mrs. KIRKPATRICK. Thank you. I will be happy to get you more detailed information about that. Thank you.

Secretary NAPOLITANO. Yes.

Mrs. KIRKPATRICK. I yield back my time.

Chairman THOMPSON. Thank you very much.

The Chairman now recognizes the gentleman from Alabama, Mr. Rogers, for 5 minutes.

Mr. ROGERS. Thank you, Mr. Chairman.

Thank you for being here, Madame Secretary.

I hope that since the Christmas day bombing attempt, that you have explained it to the attorney general that you are in a very critical National security role and that from now on before he decides to go off half-cocked, that he should consult with you and your counterparts in the National intelligence before making decisions. You don't have to answer that, but I hope you have explained that to him and the President.

Secondly, right after that attempted attack, one of the co-chairs of the 9/11 Commission, Lee Hamilton, came out and reminded us that it is time for the Congress and the administration to use the political will to follow through on the last major recommendation, which was consolidating jurisdiction for homeland security in this committee.

It is going to be a tough political lift, but I hope you will urge the Speaker and the Majority Leader in the Senate that it is time to do it. You all having to come up here to 86 different committees and subcommittees is just absolutely indefensible, and it is causing problems for the Department as far as direction and goals and such.

To that end, I would like to offer for the record without objection, Mr. Chairman, the two letters that we have sent to the Secretary and the leader, Speaker Pelosi, urging that consolidation.

Chairman THOMPSON. Without objection.

[The information follows:]

BENJIE G. THOMPSON, MISSISSIPPI
CHAIRMAN



PETER T. KING, NEW YORK
RANKING MEMBER

One Hundred Eleventh Congress
U.S. House of Representatives
Committee on Homeland Security
Washington, DC 20515

February 12, 2010

The Honorable Janet Napolitano
Secretary
Department of Homeland Security
Washington, DC 20528

Dear Secretary Napolitano:

This letter reiterates the critical need for the House of Representatives to immediately take action and consolidate congressional oversight over the Department of Homeland Security (Department). We write to urge you to work with the Congressional leadership and provide the information necessary to help consolidate homeland security jurisdiction in 2010.

As you know, the National Commission on Terrorist Attacks Upon the United States (9/11 Commission) recommended that Congress "create a single, principal point of oversight and review for homeland security." However, despite the fact that the 9/11 Commission noted that this recommendation was among the most important of their recommendations, nearly seven years after the Department's creation there are still perhaps as many as 108 committees and subcommittees exercising jurisdiction over the Department.

Each year, the Department's resources are thinly stretched by the sheer volume of congressional hearings and briefings. In the 110th Congress, Department officials attended more than 370 hearings and gave nearly 5,000 briefings to Members of Congress and staff representing 108 committees, according to Department records. Perhaps no other Federal department is represented as often on Capitol Hill. By comparison, officials at the Department of Veterans Affairs, a department of comparable size and budget, testified at half the number of hearings - 183 - before just two committees, and gave 413 briefings over the same time period.

In a 2007 op-ed in the *Washington Post*, the former Chairman and Vice Chairman of the 9/11 Commission, former Governor Kean and Congressman Hamilton, described how this situation results in "a major drain on senior management and a source of contradictory guidance." In fact, Department officials have testified before the Committee on Homeland Security that this extensive oversight provides conflicting guidance for the Department's programs and unnecessarily diverts key officials and staff from fulfilling the Department's vital mission. In the wake of the attack on Northwest Flight 253 on Christmas Day, and other known terrorist threats to the United States, the Department must remain focused on its critical mission.

The Honorable Janet Napolitano
February 12, 2010
Page two

In the days following the Christmas Day attack, 9/11 Commission Vice Chairman Hamilton reiterated that, "Congress needs to consolidate its oversight functions because [having] 108 committees and subcommittees [with] oversight authority [is] a joke." Last month, the bipartisan Commission on the Prevention of Weapons of Mass Destruction Proliferation and Terrorism (WMD Commission) gave Congress an "F" on its *Prevention of WMD Proliferation and Terrorism Report Card* for failing to reform Congressional oversight. The report card notes that "[v]irtually no progress has been made since consolidation was first recommended by the 9/11 Commission in 2004."

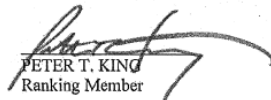
Therefore, it is clear that consolidating oversight of the Department of Homeland Security should be one of the top legislative priorities for Congress in 2010. We urge you to use your political will and all means available to work with the congressional leadership to consolidate jurisdiction around the House Committee on Homeland Security and the Senate Homeland Security and Governmental Affairs Committee so that we may streamline oversight of your Department and improve the security of the Nation.


We also request that you provide us with the following statistics for 2009:

- the number and names of congressional committees, subcommittees, and commissions that exercised oversight over DHS;
- the number of congressional hearings that required DHS witnesses to testify;
- the number of briefings DHS officials conducted for congressional offices;
- the number of letters from Congress to which DHS officials responded;
- an estimate of the number of personnel hours required to meet these requirements; and
- the estimated budgetary impact of the Department's response to these requests.

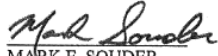
Thank you for your personal attention to this important matter. We look forward to working with you to fulfill this remaining 9/11 Commission recommendation.

Sincerely,

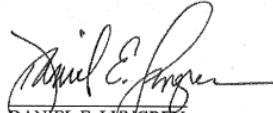

PETER T. KING
Ranking Member


MIKE ROGERS
Ranking Member
Subcommittee on Emergency
Communications, Preparedness,
and Response

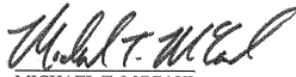
The Honorable Janet Napolitano
February 12, 2010
Page three



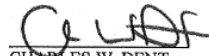
MARK E. SOUDER
Ranking Member
Subcommittee on Border, Maritime,
and Global Counterterrorism



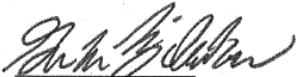
DANIEL E. LUNGREN
Ranking Member
Subcommittee on Emerging
Threats, Cybersecurity, Science
and Technology



MICHAEL T. MCCAUL
Ranking Member
Subcommittee on Intelligence,
Security Information Sharing and
Terrorism Risk Assessment



CHARLES W. DENT
Ranking Member
Subcommittee on Transportation
and Infrastructure Protection



GUS M. BILIRAKIS
Ranking Member
Subcommittee on Management,
Investigations, and Oversight

cc: Chairman Bennie G. Thompson
Committee on Homeland Security

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CHAIRMAN



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One Hundred Eleventh Congress
U.S. House of Representatives
Committee on Homeland Security
Washington, DC 20515

February 16, 2010

The Honorable Nancy Pelosi
Speaker
House of Representatives
H-232, The Capitol
Washington, DC 20515

Dear Madam Speaker:

This letter follows up on our letter of November 12, 2008 to request that the House of Representatives immediately take action to amend House Rule X to consolidate congressional oversight over the Department of Homeland Security (Department). As you know, the National Commission on Terrorist Attacks Upon the United States (9/11 Commission) recommended that Congress "create a single, principal point of oversight and review for homeland security." However, despite the fact that the 9/11 Commission noted that this recommendation was among the most important of their recommendations, nearly seven years after the Department's creation there are still perhaps as many as 108 committees and subcommittees exercising jurisdiction over the Department.

Each year, the Department's resources are thinly stretched by the sheer volume of congressional hearings and briefings. In the 110th Congress, Department officials attended more than 370 hearings and gave nearly 5,000 briefings to Members of Congress and staff representing 108 committees, according to Department records. Perhaps no other Federal department is represented as often on Capitol Hill. By comparison, officials at the Department of Veterans Affairs, a department of comparable size and budget, testified at half the number of hearings - 183 - before just two committees, and gave 413 briefings over the same time period.

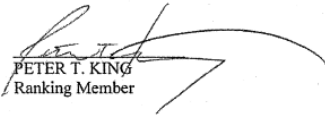
In a 2007 op-ed in the *Washington Post*, the former Chairman and Vice Chairman of the 9/11 Commission, former Governor Kean and Congressman Hamilton, described how this situation results in "a major drain on senior management and a source of contradictory guidance." In fact, Department officials have testified before the Committee on Homeland Security that this extensive oversight provides conflicting guidance for the Department's programs and unnecessarily diverts key officials and staff from fulfilling the Department's vital mission. In the wake of the attack on Northwest Flight 253 on Christmas Day, and other known terrorist threats to the United States, the Department must remain focused on its critical mission. Congress must do everything it can to support the Department in its efforts, including by taking the crucial step of consolidating Congressional jurisdiction over the Department. We are not alone in this belief.

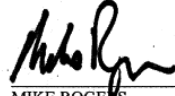
The Honorable Nancy Pelosi
February 16, 2010
Page two


In the days following the failed Christmas Day attack, 9/11 Commission Vice Chairman Hamilton reiterated that, "Congress needs to consolidate its oversight functions because [having] 108 committees and subcommittees [with] oversight authority [is] a joke." In January, the bipartisan Commission on the Prevention of Weapons of Mass Destruction Proliferation and Terrorism (WMD Commission) gave Congress an "F" on its *Prevention of WMD Proliferation and Terrorism Report Card* for failing to reform congressional oversight. The report card notes that "[v]irtually no progress has been made since consolidation was first recommended by the 9/11 Commission in 2004."


We urge you to make the consolidation of oversight of the Department of Homeland Security one of your top priorities in 2010. As we stated in our November 2008 letter, we stand ready to work with you to accomplish this change that is so vital to the security of our Nation. Thank you for your personal attention to this urgent matter.


Sincerely,

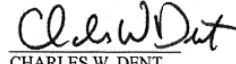

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Terrorism Risk Assessment


CHARLES W. DENT
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The Honorable Nancy Pelosi
February 16, 2010
Page three



GUS M. BILIRAKIS
Ranking Member
Subcommittee on Management,
Investigations, and Oversight

cc: The Honorable John A. Boehner, Republican Leader
The Honorable Bennie G. Thompson, Chairman, Committee on Homeland Security

Mr. ROGERS. Thank you.

I want to talk to you about the budget. All in all, I am pretty pleased. I want to thank you, CDP, Center for Domestic Preparedness. You have adequately funded them and put some money for maintenance in that was critically needed at that facility and the Noble Hospital training facility there where we train health care professionals to be prepared to respond after a natural major disaster.

But one thing that I am concerned about was the elimination, or what appears to be the elimination, of a chief veterinary officer. Dr. McGinn has been sent out to North Carolina, and I understand that position is not going to be filled. They are just going to consolidate that with the Director of Food Veterinarian Animal Defense.

The chief veterinary role is a very critical role. We need to make sure that we are protecting our food safety and preparing for ag terrorism. I am going to introduce a bill. I talked yesterday to Dr. Garza, who assures me that position, the role is going to continue to be fleshed out under that new directorate.

I am going to introduce a bill, which has got broad bipartisan support in the committee, to ensure that that position continues to exist. He can call it director of food veterinarian animals if he wants to and chief veterinary officer, but we want to make sure that somebody has those responsibilities going forward to make sure we are protected against those threats.

Then the thing I want to talk to you most about, though, is I want to applaud you. I have been for years advocating higher use of canine assets for people screening. Your predecessors have given it lip service, and you have put some real money in there. You are to be commended for the \$71 million you put into the budget to expand the Lackland facility.

What I would urge you to do—I had your TSA officials come in and brief me earlier this week about our capacity, what we are going to be able to accomplish with this—this program, and I am

not going to go into detail here. I do want the Members to get a briefing like I did, though, later about the coverage we are going to have.

My request to you is that while you are doing this—this is going to give us 275 additional teams a year out there—we need to plus that up. I would urge you that while you are doing it to do it right. Instead of making it \$71 million, make it \$100 million. Have a second location so we can get about 600 dogs a year—teams a year out into the field.

That would get us in 5 or 6 years to where we have more complete coverage of the 430 airports that we got to be concerned about. At the level we are at now, it would be 10 or 12 years, and that is not acceptable. So I would urge you to consider going into the line item that you have \$360 million for new equipment, scanning equipment. Pull that \$30 million off of that and add it to that canine item.

I think that would be a good, robust level for us to be able to get to comprehensive coverage of these airports in a reasonable amount of time. I will be happy to talk more with you and your folks about that. There is just no way we can do it just at Lackland is my point. We got to have at least a second facility that is doing that.

But again, you are to be applauded. You put some muscle behind what you said you were going to do after the Christmas day bombing, and I appreciate that.

Last, the ICE budget. I am a little concerned that I didn't see more money in there for ICE agents. We really have a shortage of ICE agents, and there are only 52 positions that are being added. Can you tell me why?

Secretary NAPOLITANO. Well, I think the budget, I think, adequately meets ICE's enforcement responsibilities. As I suggested earlier, one of the things that we are increasing in the budget is Secure Communities, which really is a force multiplier. Where we have Secure Communities, we identify criminal aliens and can do more deporting and removals more effectively than ever before.

So I think while the number of agents is only up to 52, if you look at that in conjunction with Secure Communities, you see how we are using that as a force multiplier.

Mr. ROGERS. This last one, going back to the canines, do you think that it is reasonable to look at plussing that up by \$30 million to get a second location?

Secretary NAPOLITANO. Representative, as my staff will tell you, I am a big believer in dogs and what dogs can do. So it is a resource split and allocation issue, but my mind is very open and I—dogs used properly with the properly trained handler can really help improve safety.

Mr. ROGERS. Well, the thing that I have told the other Members, we are talking about a new technology, this vapor weight technology, where the dog doesn't have to sniff the person. You just walk by them. That would be very helpful at our airports where people who, before they go through technical screening, can just walk by these canines. The Christmas day bomber would not have gotten on that plane if we had it.

Thank you.

Chairman THOMPSON. The gentleman's time has expired.

The Chairman now recognizes the gentleman from New Jersey for 5 minutes, Mr. Pascrell.

Mr. PASCRELL. Thank you, Mr. Chairman.

Where do we start here? First of all, I would like to associate myself with the comments of the Ranking Member concerning the categorical assistance to cities and regional areas, areas around those cities which were expanded, if you remember, 5 years ago. I think that is, hopefully, not just an oversight here. I think it is critical to defending America.

Second, you testified last year after you raised your hand that you were going to take a specific look at the bureaucracy that you heard my good friend from Alabama talk about. I asked you the questions then. You assured the committee that you are going to address the issue of bureaucracy, because when you have bureaucracy, you have less accountability.

You saw that in the December 25 episode where who pushed Jake was the main question. We realize that DHS is the consumer of intelligence and is not the vehicle. The fact of the matter is, though, that we don't know who to hold accountable, because this bureaucracy is growing and becoming worse—worse.

Tell me one instance that you have recommended to us in 1 year where you wanted us to be of assistance to you—and we thank you for your service to your country; we want to be helpful—I can't recall it, but that doesn't mean it hasn't happened. Give me one instance.

Secretary NAPOLITANO. I am not sure I—

Mr. PASCRELL. Give me one instance where you recommended to this committee that we assist you in breaking through the bureaucracy of the Department that you head?

Secretary NAPOLITANO. Well, I don't know exactly where your question is headed, but I will tell you—

Mr. PASCRELL. You don't know where exactly—I mean, I can't be more direct than that, Madame Secretary.

Secretary NAPOLITANO. Well—

Mr. PASCRELL. We want to be helpful. We are not asking the questions and we are not making the comments here because we want to give you more work. We want to give you less work. You just testified this morning before Appropriations Committee. If you want to continue to go crazy, continue. If you want to be going to 86 committee meetings, continue.

You were asked a year ago. We wanted to be helpful. You ignored us, because I haven't seen any recommendations on your part. Now tell me where I am wrong, and I will apologize.

Secretary NAPOLITANO. Well, I think you are wrong in a number of ways, but—

Mr. PASCRELL. Where am I wrong, Madame Secretary?

Secretary NAPOLITANO [continuing]. I don't think—I also—well, let me finish my answer.

Mr. PASCRELL. Sure.

Secretary NAPOLITANO. I believe that the Department and this committee need to have more, not less, communication. We are endeavoring to do that both on the Democratic side and on the Republican side. We have endeavored to provide you every bit of information that you have asked for.

We have asked the Congress for the ability to get some administrative resources, which are called bureaucracy but are in essence the ability to have the infrastructure necessary to run what is now the third largest department of the Government. I would love to talk about that with you.

Mr. PASCRELL. We have had a year. I am not incorrect. The Department is incorrect. This committee stands to be helpful to you, and it has not been given that opportunity.

The second issue. I appreciate the difficulty of your job—anybody who sits in that position—and I think you appreciate it, too. You have to create a budget that meets all the needs of the Nation, this Nation, greatest nation in the world, during this economic crisis, while at the same time you are working our way out of this deficit hole.

We understand that. We deal with this every day and with every department. I am satisfied with the budget, especially the necessary increase in funding to boost aviation security. You went into that, I believe, in your testimony.

However, I am greatly dismayed and indeed disturbed that for the second year in a row this administration has decided to cut critical Fire Grants program that provides equipment and training to our firefighters. This year he has decided to cut the SAFER program as well, which helps maintain staffing levels in our Nation's firehouses.

Overall, these two programs have been cut by \$200 million, which is 25 percent less than we passed in fiscal year 2010. At a time when we are still fighting our way out of that deep recession, those towns can't afford to do it on their own, and municipalities are being forced to slash public safety budgets every day.

This is exactly the wrong time to cut vital grants programs. They are necessary. They were necessary before 9/11—before 9/11 is when we started the program—and they are necessary today. In fact, there is \$3 billion to \$4 billion of applications in those programs every year.

Second, I was extremely surprised to see that the budget called for four stand-alone grant programs to just be folded into the large State Homeland Security Grant Program. Look, I know the game. I was the mayor of a city once. It is a very interesting way to hide what you really want to do.

This includes the interoperable emergency communications. I guess there is no word that has been used more in this committee since 2001 than the word "interoperable." But they are gone. We worked to create in the 109th Congress in order to support our first responders. This looks like a way to do a backdoor cut of these programs. There will be no way to compare it, if you fold that into the larger program.

I think that this is a wrong way to go. I understand it is a great way to hide would you really want to do. I assume that that is not what you want to do. What in God's name do you want to do?

If I may ask that, Mr. Chairman.

Secretary NAPOLITANO. Well, listening to mayors and Governors, one of the things they asked of me last year was to reduce the amount of grant applications and grant reports that they had to do. They wanted more flexibility. They wanted the ability to use grant

funding for things like sustaining and maintaining equipment as compared to having to buy new equipment all the time in order to achieve grant funding. The proposal this year was designed to meet those requests.

Mr. PASCRELL. Well, let me tell you something. That is not acceptable. The mayors of this country feel that the program of the Fire Act and the SAFER Act are the best-run bureaucratic programs in the Federal Government, because there isn't any bureaucracy.

Chairman THOMPSON. The gentleman's time from New Jersey has expired.

Mr. PASCRELL. Well, I have to respond to answers that don't really go to the question.

Chairman THOMPSON. Well——

Mr. PASCRELL. We are in the same place we were a year ago.

Chairman THOMPSON. I think you have made your point, Mr. Pascrell.

The gentleman from Texas, Mr. McCaul.

Mr. MCCAUL. Thank you, Mr. Chairman.

Madame Secretary, welcome. Last week a small aircraft slammed into a Federal building in my district, reminding us that we are still vulnerable. The devastation from what was a very small plane was really highly destructive. I walked away thinking how could such a small plane almost bring down an entire Federal building?

It is a threat. I want to also commend the first responders, because the loss of life could have been so much more severe than it actually was. My thoughts and prayers go out to the family of the one Federal employee who was injured and killed.

I would just recommend, though, also as you look at—and you mentioned General Aviation and I would recommend you continue to work closely with them as you look at rulemaking. I think, as I have met with them after this tragedy, I think they have some very, very good ideas where we can work with industry, not against industry, in making this situation and helping the American people be safer.

Another incident, ironically, just north of my district not too long ago—Fort Hood. I went to the memorial service. I talked to the commander, General Cone. We found out since then the Joint Terrorism Task Force had information about this individual, that he had been contacting an al-Qaeda operative in Yemen, a DOD representative on the JTTF, and yet that information was not shared with the base.

I asked General Cone, "Would you like to have had that information?" You had a major at your base, you know, who was in contact with the top al-Qaeda leader, and yet they didn't know about that. I find that to be really inexcusable. His question to me was, "How many more Hasans are out there?"

It is a DOD issue. It is a JTTF issue, but it is also, when you talk about military bases in the United States, it is a homeland security issue as well. I know you are smart enough to recognize that.

I do have a few budget questions, but I want to ask you on that, because we know al-Qaeda has targeted military installations. Fort Dix is another good example. What are you doing to ensure that

the information-sharing process is improved so we can prevent, in this case, 14 individuals from being killed in the future?

Secretary NAPOLITANO. Indeed, without going into the Fort Hood situation specifically, but one of the things we have really been working on this past year is the amount of sharing of intelligence with State and local law enforcement about threats and threat streams that are within their jurisdictions so that they can be watching out for them.

Our first responders, in particular 800,000 or so police officers, are a force multiplier way beyond whatever Federal presence that we have. We have greatly bolstered the fusion centers, and I think you will see a lot of activity in that regard over this next year really strengthening the standards there.

What really qualifies as a fusion center? What that is designed to do, Representative, is have in one place State, local, and Federal not only trained officers, but databases and analysts. It is not just sharing data that is important. It is the analysis that is important.

Mr. McCAUL. I agree. It is also acting on information coming in, because there was information on Fort Hood. There was information on the Christmas bomber case. There were flags being raised. There were dots not only not being connected, but dots not being acted upon that I think, had they been acted upon, we could have avoided the Fort Hood tragedy and also could have revoked the visa of the Christmas bomber.

I know this is a budget hearing, so I want to ask you a couple of questions. I would first like to—as Mr. Cuellar mentioned, I really commend you for your efforts working with Mexico that is so important with the violence in Juarez, as you mentioned, is probably one of the most violent cities in the world. Mexico has suffered more killings than the Iraq and Afghanistan wars combined.

Three programs that I saw—one, the Operation Stone Garden—I mean, you were in Arizona. It has been a very successful program, and yet it is being cut from \$60 million to \$50 million.

Second, that 287(g) program, which has also been very successful, is just maintained at the current level. Then finally, the ICE Detention and Removal Office, when I talk to ICE officials particularly in the Houston area, they tell me they don't have the resources they need to carry out their mission. That is just coming from your people on the ground.

So if you could explain to me those three budgetary items, because I think they would go a long way in helping us better secure this border.

Secretary NAPOLITANO. Well, No. 1 was—which was No. 1?

Mr. McCAUL. Operation Stone Garden.

Secretary NAPOLITANO. Stone Garden. What happened last year was there was some extra money that we redeployed to Stone Garden. \$50 million is what we have had. That is a pretty consistent budget request.

What we have done, however, is basically steer all of that money to the Southwest border, whereas previously it could be shared, and part of it was used on the Northern border. You might imagine yesterday I heard from some Northern border representatives that weren't happy about that decision. But my decision was that that is where the money is best used right now.

Mr. McCAUL. I agree.

Secretary NAPOLITANO. With respect to 287(g), the strategy we are using as we are continuing to assign 287(g)s that we are really plussing up Secured Communities. They are more effective in terms of actual yielding criminal aliens that have entered the United States, so we think that is a better strategy.

In terms of beds, detention and removal beds in the Houston area, Representative, that is one we will get back to you specifically on. The bed request, the head request is based on our National estimate about what we need. Maybe there needs to be adjustment within that National number.

Mr. McCAUL. Because finally, as you mentioned, you said when you were attorney general that the Federal Government needs to pay its bills when it comes to the burden on State and locals. My home State of Texas has a tremendous burden in that regard.

I thank you very much.

Chairman THOMPSON. Thank you very much.

The Chairman now recognizes the gentleman from New Jersey—New Mexico, Mr. Luján?

[Laughter.]

I was trying to give him some more time.

Mr. LUJÁN. I appreciate that, Mr. Chairman. I hope my friend from New Jersey doesn't get any—just yet, Mr. Chairman.

Madame Secretary, thank you for being here as well. I want to tell you how much I appreciate the fact that DHS and DOE are working closely with one another now. After the failed attempt on Christmas day, we did very clearly hear the directive from the President, asking for DHS and DOE specifically in NSA facilities to collaborate to try to solve some of these real problems. I want to thank you for not wasting any time on doing that.

A few things that I want to bring up, and some of the testimony that we heard from Dr. Albright in our Science and Tech Committee, who is from Lawrence Livermore, highlighted the importance of the President's directive, but went on to say this:

That explosives have long presented the most prevalent threat to transportation security, to critical facilities and to individuals. Current events show that explosives continue to be the weapon of choice for terrorists worldwide. The threat is evolving, and increased access worldwide to the internet has provided the terrorists with information to manufacture homemade explosives using readily available chemicals.

Explosives are very difficult to detect in some cases. Only trace evidence is available for sampling, and bulk quantities of explosive matter must be detected in the presence of other potentially confusing or benign materials. TSA officers only have a short time to detect explosives and assess the situation, if they are to maintain the flow of people and goods.

Continuous and concentrated research and development is fundamental to understanding the threat and creating the tools that will give our Nation the capability it needs to decrease our vulnerability. We now know that there is progress being made in bringing technologies forward that will strengthen our capabilities and give our TSA agents the tools they need to preventing materials from moving forward.

The one concern that I have, Madame Secretary, is the commitment to the investment—substantial investment, up near \$700 million, if I have my numbers correct, with other detectors to—really around metals.

I wanted to hear from you how we are going to move forward so that we are able to bring these technologies forward, also deploy and get your ideas on if you feel that it is important that rather than a short-term relationship with the NSA DOE facilities with Homeland Security, if that should turn into a long-term relationship to make sure that we are working closer in that regard, and also your thoughts on taking a whole system systematic approach in trying to understand the threat that we are going to see as opposed to reacting to what we know that just happened.

Secretary NAPOLITANO. Let me address the last first. We need to react to things that happen—it would be foolish not to—and to adjust in light of what we have already seen. But at the same time we need to be thinking ahead. So there is a reaction and a pro-action that need to be happening simultaneously.

One of the ways this can occur is with greater use of science and technology. That is why the President has directed that we really tighten up the relationship with our National labs so that their research is really designed, or at least partly designed, to help us operationally to think through what the next iteration of threat, the materiel used, et cetera.

So I hope that this relationship, which was really catalyzed by the December 25 attempt, becomes part and parcel of our National homeland security framework and that we use that brain capacity we have in those National labs to greater effect for homeland security purposes.

Mr. LUJÁN. Mr. Chairman, this is just one area that I hope that we can work on together with yourself, with Ranking Member, and with all Members of the committee, because when we look specifically at these relationships and what some of the brightest minds—scientists, physicists—have to offer not only with their capabilities with tech transfer and commercialization, what that means to creating jobs, but also looking at problems like this, where we have threats like this every day.

They really wanted to highlight that, Mr. Chairman, as we begin to look at this in a different way and think outside of the box, where we can bring together the brightest minds that we have that we have made investments in. The modeling capabilities, the simulation capabilities that lead to technologies that are going to make a difference and save people's lives is somewhere that I hope that we turn.

With that, Mr. Chairman, I yield back my time.

Chairman THOMPSON. Thank you very much.

The gentleman from Florida, Mr. Bilirakis, for 5 minutes.

Mr. BILIRAKIS. Thank you, Mr. Chairman. I appreciate it.

Madame Secretary, I sent a letter to you on January 21 regarding the visa security program. When can I expect a response?

Secretary NAPOLITANO. Hopefully, very soon. We are trying to, and greatly by and large are moved to the point where we can respond to every Congressional inquiry within a month.

Mr. BILIRAKIS. Very good. I have a couple of questions regarding that issue.

How many visa issuing posts are there overseas currently?

Secretary NAPOLITANO. For the State Department?

Mr. BILIRAKIS. Yes, State Department.

Secretary NAPOLITANO. I don't know the overall number.

Mr. BILIRAKIS. Okay. How many of these locations—can you tell me how many locations have visa security units currently?

Secretary NAPOLITANO. I am going to ask. A small percentage.

Mr. BILIRAKIS. Okay. Well, I think it is about 14, from my estimations. How many have been identified as high-risk locations?

Secretary NAPOLITANO. Well, we just added two—I know of that—the past week. I don't know—a number.

Mr. BILIRAKIS. Okay. Okay, so my understanding is that there are 40 high-risk locations, and the State Department has 220 locations and that we have units in 14 locations.

So the next question is on the current pace, how long would it take to establish visa security units in locations the Department has identified as high-risk? If you can't answer that question, I would like to get a response as soon as possible.

Secretary NAPOLITANO. Yes, that is reasonable.

Mr. BILIRAKIS. Okay. Do you believe that it is—you know, we want to make sure we beef up this program. An example of this was the Christmas bomber. I think that could have been prevented. So, you know, and I understand that the budget recommendation is flat for this year, and that is unacceptable to me. So if you could respond to me as quick as possible, I would really appreciate it.

Secretary NAPOLITANO. Yes, Representative. Part of that is this is not just the Department of Homeland Security's decision. This is really the Department of State where the Department of Homeland Security will be allowed into an embassy facility to work there. So that is something that we are having to work through at the interagency level.

Mr. BILIRAKIS. Yes, that is what I am concerned about is that there may be some resistance from the Department of State in establishing these units. If so, I would like to know which locations, where the resistance lies.

Thank you, Mr. Chairman. I appreciate it.

Chairman THOMPSON. Thank you very much.

The Chairman now recognizes the gentlelady from California, Ms. Harman.

Ms. HARMAN. Thank you, Mr. Chairman.

Madame Secretary, I apologize to you, but the intelligence authorization bill is on the House floor this afternoon, and that is why I was absent for much of this conversation. I did, however, hear your testimony.

As you set out the five priorities for your agency, the first one was counterterrorism. I want to applaud that and recognize and, I think, agree with you that the Homeland Security Department exists to protect the homeland, and there is a large terrorist threat.

I have a question about that and one other. I want to put them to you at the same time so that I observe my time limit.

On the subject of terrorism, I think probably, besides the technological corrections that we have already made since the Christmas

bomber problem, the other problem was the absence of sustained leadership focusing specifically on what could happen both to aircraft and other things, but certainly, sustained leadership at the top.

So one question I have is what are you personally doing, given your busy, hugely busy life and professional obligations, to sustain your leadership on the terror threat?

My second question is to pick up on some of the questions, some of the issues Mr. Bilirakis was posing on visas. It is my understanding that since the 1990s there has been a requirement for a capable exit visa system. It is good to know and to have a secure visa entry program, and we are doing better at that, I believe, but we still have not implemented our visa exit program up to any reasonable, by my lights, standards.

I was a member of the Congressional commission on terrorism that existed between 1999 and 2000. We predicted a major terror attack on the United States. Sadly, we were right. But one of the gaps we found in U.S. security was a capable exit visa system. If people can come here legally and then get lost here, that is an enormous vulnerability.

So my two questions are what sustained leadership are you personally giving to the terror, the huge terror threat against us, and two, what can we do to expedite an effective and fully developed exit visa system?

Secretary NAPOLITANO. Well, thank you, Congresswoman. I think two things. One is that you are right. Sustained leadership is important here. It takes a number of forms. One is making sure that we have a clear vision for the Department. That is reflected in the QHSR, which we really went from 0 to 60 on this year.

The second is to make sure that we have a better integration of our intel analysis within the Department, with other intelligence assets around the Beltway, and that we are doing a better job of connecting our intel analysis with information threat streams so that can be used by State and local law enforcement, so very important around the country. I think we have made great progress in that regard this year. We are going to be continuing to push that issue.

The third is really focusing on the sustained effort, and I think somewhat creatively, quite frankly—areas like aviation, where we have instituted an international aviation initiative, where we have entered into MOAs with the National labs that didn't exist before.

So those are the kinds of things that we are working on in all the iteration of the Department. But they all blend together under the guise of guarding against terrorism and ensuring the security of the United States.

With respect to exit and exit visas, we do have—as someone noted before, we have not requested new money there. We have \$50 million we are going to pull forward into this year for U.S. exit. That will be for the air environment.

The big problem, and one that I have asked the scientists and others to look at it: How do we handle the fact that the United States has such a huge land border with so many land ports of entry and so many lanes? That is under the current iteration of

technologies a huge, huge budget number. It was not one I was prepared to bring forward to the committee this year.

Ms. HARMAN. Well, I thank you. I just in 12 seconds urge you personally to keep asking about what your Department is doing on a daily basis, or frequent basis, to focus on the terror threat so that it is clear from the top how urgent that is.

On the U.S. exit program, I think we are going to have to step up and write the checks, because I think it is unacceptable to have the ability for people to come here and then get lost in our country and possibly cause harm against us.

Thank you, Mr. Chairman.

Chairman THOMPSON. Thank you very much.

The gentleman from Georgia, Mr. Broun, for 5 minutes.

Mr. BROUN. Thank you, Mr. Chairman.

Madame Secretary, I am very pleased to see you in attendance today. I hope that you will agree with me that it is critical for the Secretary of any Federal agency to be present at important oversight hearings. I hope that we can be assured that in the future you will be personally present at all these extremely important oversight hearings. I hope you assure us of that.

Secretary NAPOLITANO. Representative, I think improving communication and being available to the committee is a very important part of my responsibilities.

Mr. BROUN. I certainly hope so, and I trust that you will be.

I was also extremely pleased to see that just recently you admitted that the Fort Hood massacre was a terrorist attack. I think that admission is long overdue, and I am pleased to see you finally go ahead and make that admission.

Madame Secretary, I have serious concerns about regarding how your Department plans to use its resources, and I would like some clarification on some issues that I feel that the American people deserve to hear from you for the recent actions of the Christmas day bomber and the open intelligence opinions that al-Qaeda will most likely attempt to attack our homeland within the next 6 months.

It is more apparent now than ever that our enemies will stop at nothing to attack us. We must work even harder to stop them. As I have said before in here in this committee, the Marine Corps teaches that you must know your enemy to defeat them.

Many brave Americans work hard to pinpoint and identify those who wish us harm. It is foolish for this or other Federal agencies tasked with protecting our homeland and our country to ignore the hard work and waste of our resources.

What I would like to see from this Department is greater effectiveness at collecting and sharing vital information on those who are most likely to attack us, whether that information comes from our intelligence agencies or our global partners who serve as our first line of defense. Closing these gaps in our human intelligence and informational networks is absolutely essential.

One way for us to focus our attention on those people in those countries that we know will try to attack us. Time wasted screening a grandmother in her mid-80s or a 10-year-old on vacation with his family could better be used in screening individuals who are coming from somewhere who are more likely to produce known en-

emies to our country and who want to harm us and destroy this Nation and everything that we are founded upon.

You stated in your testimony that you and this administration are determined to find and fix our security vulnerabilities, and I really trust that that is so. I look forward to you going on to do so.

Do you believe, Madame Secretary, what I have suggested could prove more effective than our current methods?

Secretary NAPOLITANO. In what respect, sir?

Mr. BROUN. In focusing upon the countries and the individuals and groups of individuals who are most likely to be those individuals who want to do us harm?

Secretary NAPOLITANO. Doing things on a risk-based or intel-based way, obviously, is something that we endeavor to do across the Federal Government. When you are talking about the travel environment, I think it is important to add to that a certain amount of unpredictable randomness, which disables a terrorist from being able to predict with certainty whether they will be subject to secondary screening or the like.

So it is intel-based, but it is also the greater utilization of algorithms of randomness, if I can use that phrase, to add onto that to defeat predictability.

Mr. BROUN. Well, I certainly agree with that. There is no such thing as 100 percent safety, 100 percent certainty, but I think, particularly with limited resources, that it is very important to focus upon those nations and those people groups who we know want to do us harm. There may be other individuals, other people groups, and maybe even homegrown terrorists that we have got to focus upon, but we do know without a question that there are those.

I encourage you. I hope that you will utilize your very limited resources, because we and the Federal Government are out of money. We don't have the money. We are stealing our grandchildren's future by creating huge amounts of debt.

But homeland security is one of the—and National security is the primary focus of the Constitution for the Federal Government. So focusing upon those individuals, those countries, those groups of people that we know the greatest preponderance of individuals who want to do us harm come from those areas, I hope that you will really focus upon them with random screening and other things. I understand the problems that you face, but I just encourage you to consider that.

Are there other an additional methods that could be deployed in defense of our homeland that would close those gaps and vulnerabilities?

Secretary NAPOLITANO. Let me ask you to say that again, please?

Mr. BROUN. Are there other additional methods, besides focusing on those things that we have already talked about, that could be deployed in defense of our homeland and that would close those gaps and vulnerabilities?

Secretary NAPOLITANO. Well, I think several. One, as I already mentioned, you have got to add a random aspect to all of this. In other words we are not doing the same thing at every airport across the country. Why? Because we don't want there to be predictability.

I think there is a huge untapped role for science and technology here that we should pursue, and I already mentioned with Representative Luján working with, in particular, the National labs. I think there we can do more.

Then third, making sure that across the global environment we have increased information collection and sharing to the maximum extent that we can. Working with our allies and others, I think, really helps provide us with a greater security network.

Mr. BROUN. Thank you, Madame Secretary.

I appreciate the extra time, Mr. Chairman. Thank you.

Chairman THOMPSON. The gentleman from Alabama.

Mr. ROGERS. Just I wanted to inquire, do you expect to have a second round of questions or—

Chairman THOMPSON. We will probably finish just about the time for votes. We had thought we could do it, but it looks like, because I have been generous with my time on the questions, we might not be able to do it.

Mr. ROGERS. Okay. Thank you.

Chairman THOMPSON. The gentlelady from New York, Ms. Clarke.

Ms. CLARKE. Thank you. Thank you very much, Mr. Chairman.

Madame Secretary, it is great to have you here and really providing us with some insight into this year's budget.

I just wanted to sort of add my voice to that of Ranking Member King with regard to the Securing the Cities grant. I understand the dilemma of the funding, which we tend to always in some fashion come up with, whether it is through appropriations.

But when you talk about looking at some of the work that the labs have done, there are also other ways of looking at how we can address the threat of radiological, biological, chemical, and nuclear weapons, and I hope that we will get some finding from the Securing the Cities model that could hopefully be something that can be helpful for the rest of the Nation.

We are all very used to the explosive—unfortunately, become used to the explosive event that we witnessed in 1993 in New York and again in 2000. But there are other very, just as meaningful threats to us that we are not conscious of, and it is, I think, tools that we develop along the way in anticipation of someone utilizing one of these types of weaponry that will bode well for the Department and for our Nation, so I hope you will give that your highest consideration.

I also wanted to just let you know how pleased I am that the budget acknowledges the on-going real possibility of a cyber attack. This budget requests \$379 million for a National Cyber Security Division and \$10 million for the National Security Cyber Center. I know that you touch on this in your testimony, but can you elaborate a little bit more on how this funding would be used to buttress your cybersecurity capability?

Secretary NAPOLITANO. Well, it is a number of ways, and perhaps one of the things to suggest to this committee is a classified briefing on all of the efforts on cyber at a certain point in time.

But it is deployment of prevention and detection technology. It is working to secure the .gov domains. It is working with the private sector on the .org and .com domains. We have opened up this

year the NCIC, which is a consolidated cybersecurity facility in Virginia, which has allowed us to do some things we could not before.

But I will share with you, Congresswoman, one of our greatest challenges—if this committee would ask me what are some of the greatest challenges, I would say one of them is getting enough cyber experts into Federal service to really work on the civilian side of cybersecurity.

We have direct hiring authority, but I think, as we can all appreciate, the length of time it takes to on-board a Federal employee takes too long, and for those youngsters that are young scientists who really know the cyber world, they get impatient. So that is something that we are really going to have to work together on.

Ms. CLARKE. I look forward to that, Madame Secretary. You are absolutely correct. I think that we have to come up to speed, those of us who are of a certain age, about the realities of the technology around us and the young people, who are very agile with it, and their attention span.

I think that it will bode us well if we can demonstrate how important it is to get young people with that expertise, that talent, and maybe not-so-young people, but people who are seasoned enough in the technology used, on-board with us before the private sector snatches them out.

Another area that I am concerned about and wanted to just raise with you is the area of ASP. We have supported pursuit of the laudable goal of improving detection performance, but have been concerned with the performance of the system, as well as some of the testing over the years. Can you give me a sense of the analysis that you and DNDO did to determine the ASP? If you can't finish right now, can you get us something in writing?

Secretary NAPOLITANO. Yes, and indeed we actually took some action within the last week. So we will get back to you on that.

Ms. CLARKE. Thank you very much, Mr. Chairman. I yield back the balance of my time.

Chairman THOMPSON. Thank you very much.

The Chairman now recognizes the gentlelady from Michigan, Mrs. Miller.

Mrs. MILLER. Thank you very much, Mr. Chairman.

Secretary, we are delighted to have you here today and appreciate your testimony.

One of the issues that—really, a principal advocacy for me is Northern border security, as you know. You and I have had some conversations about that. You have been very gracious with your time, as has your Deputy Lute. She has been great as well.

But I just say that because, coming from Michigan, Northern border, it is so important to my reason, and I have been fully appreciative of what is going on in the Southern border and the measures that have been necessary to address the drug cartels coming across the border, et cetera, et cetera.

But I have to go back—circle around here a bit to the Stone Garden grant and make my pitch for that. Our area, just my immediate region, since everyone's being somewhat parochial talking about their region, we have the Ambassador Bridge, which is the busiest commercial artery in the Northern tier of our Nation. We have the Windsor Tunnel under that.

We have the Bluewater Bridge, which is the second-busiest commercial artery on the Northern tier and the only one that you can transit hazardous materials there. We have the CN rail tunnel, which is the largest rail entry incarnation, there.

Immediately across the St. Clair River in Sarnia, we have the largest concentration of petrochemical plants, I think, in the hemisphere, maybe next to New Jersey, but it is enormous, along with the Great Lakes—a number of unique dynamics is what I am saying.

One of my counties was able to get a Stone Garden grant several years ago. Now, of course, with the experience, Stone Garden at the Southern border got 59 percent in 2008. In 2009 it was 84 percent. In 2010 it is 100 percent. Now, according to the budget here, they are not even eligible. Northern border can't even apply for these.

I am appreciative, as I say, you have to ship the resources where you think are necessary. But to go to zero seems rather extreme to me, and we need some resources as well. What do you think?

Secretary NAPOLITANO. Well, I appreciate that, and I have heard that from others. I will say that Stone Garden shouldn't be looked at in isolation from other grant monies that have been available and made available up in the Northern region.

The bulk of the ARA money that was appropriated for ports went to the Northern border ports and technology at the ports and improvement at those ports, which go to some of the structures that you alluded to. So in a tough budget year with some decisions to be made, that is where we were. But I think that that is something that will continue to be worked on throughout the process.

Mrs. MILLER. I appreciate that, and I hope you do revisit that, because it really is a policy question. One thing with a Stone Garden grant, it is a force—and I am appreciative of what you are saying to go to the infrastructure of the grants for that, but Stone Garden really has been a force multiplier for the locals, which has really been such a fantastic assist to whether it is the Coast Guard or the CBP or what have you. So that is my pitch on the Stone Garden.

In regards to the SBInet, and there has been a lot of talk about this today, and I am not sure what all has happened on the Southern border with the SBInet, but, you know, on the Northern border sometimes maybe we even do things—I won't say better, but different.

Secretary NAPOLITANO. Right.

Mrs. MILLER. We actually have the SBInet, as you know, in my district, where you are standing up currently. There are 11 towers that are being constructed. We actually had an ice jam in my area, and I took an air boat out to see the last tower being constructed on Sunday afternoon, and our experience, I think, with SBInet is we are looking forward to this.

We haven't had much problems, and I think it is going to be completely turned over to the CBP in March. So we are looking forward to a good experience there—just my pitch on that.

Since I have limited amount of time, there has been a lot of talk about the Christmas day bomber. As the representative from Michigan, where this airplane was coming down, you might imag-

ine it has been on the front page. It has never fallen off the front page of our newspapers.

Everybody is totally engaged in the debate about whether or not the Christmas day bomber should have gotten court-appointed, taxpayer-funded attorneys—not one, but three in this case. I do know there is money put in here for the KSM, perhaps, trial in New York or wherever it is going to go.

I don't think there is any money that has been budgeted for the Christmas day bomber, who has already been arraigned in the Federal building in downtown Detroit. I guess I am just looking for a little guidance on that. What does that mean there?

You cannot imagine how bad the economy is in Michigan and in Detroit and with the resources that we are now faced with on something that we are not too happy about to begin with, but just from a budgetary standpoint. Do you have any comment on that, Secretary?

Secretary NAPOLITANO. Representative, I was just with Governor Granholm and know that the situation in Michigan is so serious. I think the actual budget request was not for KSM-specific. It was for terrorism-related trials. Right now sitting here with you, I don't know how that is to be apportioned or utilized, but there was a recognition by the administration that there would be terrorism-related trials in the United States in 2011, and they require additional security—

Mrs. MILLER. Well, even in 2010 that is happening, so perhaps you could get back to me on if you find out any information about any budgetary relief for Michigan for the Detroit area for that.

Since you have been good with your time, I will just very quickly also say the Air and Marine Wing of the Great Lakes Northern Border Wing that is being set up at Selfridge Air National Guard Base in my district currently as we speak as well, we are looking forward to a UAV mission this year. I know you have spoken about that.

We are never going to put SBInet all the way around the Northern or Southern border or a fence, nor do we want to. But I do think that this is a critical component of utilizing off-the-shelf hardware that has been so effective in theater and utilizing with CBP. We are looking forward to that mission as well.

Secretary NAPOLITANO. Very good.

Mrs. MILLER. Thank you.

Thank you, Mr. Chairman.

Chairman THOMPSON. Thank you very much.

The Chairman recognizes the gentlelady from Nevada, Ms. Titus, for 5 minutes.

Ms. TITUS. Thank you, Mr. Chairman.

Madame Secretary, nice to see you again. Before I ask my question, I would just make two comments. I would like to also have the record show that I share the concerns of the gentleman from New Jersey about cutting the Fire Grants, because Nevada is in special session right now, looking at ways to cut, as other cities in Nevada. We really need that money.

Second, if I could just go back to Mr. Broun's comment about looking for alternative ways to make us more secure, Creech Air Force Base is in my district, and I visited them and witnessed

some of the flying of the remotely piloted aircraft. I think that is a possibility for use in border control and pirates and other things. I would be interested in kind-of how you see that as future technology.

But my question is in the wake of Mumbai in 2008, there was a real focus on the problem with a soft target. I think that was critical, and I think the Department increased its emphasis there. Over time, though, that seems to have diminished. But the threat has not diminished.

Representing a community like Las Vegas, where this is a real possibility, I would ask you to show me where in the budget or explain what parts of the budget have some commitment to going back to that emphasis on the soft target.

I would also remind you that I sent a letter a couple of weeks ago, inviting you to come to Las Vegas and see that unique community—we have got a transient population, we have got thousands of visitors on any given day, a host of potential targets in the area—just so you could see how the public and private sectors are working together and see how we might incorporate some more of that as part of our National policy.

Secretary NAPOLITANO. Indeed, I think that, if we can, we have got to get up there.

On the soft target issue, you will find most of that under the NPPD directorate and also in the private sector office. We have had a lot of outreach. We have had outreach with the hotel associations and the hotel operators in the past months.

Over the holiday season we met with the representatives of the 700 largest shopping malls in the country, and we also prepared and had on-line training for shopping mall employees on what to watch out for, what to look for, and the like.

That is the kind of thing that provides direct assistance in the soft target environment that I think is very, very useful.

Ms. TITUS. We look forward to seeing you, and I thank you.

Thank you, Mr. Chairman. I yield back.

Chairman THOMPSON. Thank you very much.

The Chairman now recognizes Mr. Olson for 5 minutes.

Mr. OLSON. Well, thank you very much, Mr. Chairman.

Madame Secretary, welcome.

Secretary NAPOLITANO. Thank you.

Mr. OLSON. Good to see you again.

I am going to talk about issues concerning the budget in the United States Coast Guard. Madame Secretary, I understand in a tight fiscal environment sacrifices have to be made, but some of the Coast Guard budget cuts seem penny-wise and pound-foolish.

We have invested over \$100 million in maritime safety and security teams, yet your budget proposes to cut that capacity by 42 percent to save \$18.2 million. You propose to move to a “regional concept” with the Maritime Safety and Security Team program, yet you terminate 395 active-duty military personnel instead of transferring them to other MSST units.

You cut the aviation support to the Maritime Security Response Team, the Coast Guard elite counterterrorism team, thus eliminating the Coast Guard’s tactical ability to board a vessel that is actively opposing being boarded by a law enforcement agency.

What is even more disconcerting is that as the Secretary of Homeland Security, you are supporting a potential successor to the current commandant who wants to further degrade both the homeland security and search and rescue functions of the Coast Guard.

I have here a memo from Vice Admiral Papp, recommended by you and nominated by the President to be the next Commandant of the United States Coast Guard. In this memo Admiral Papp indicates a willingness to “incur additional risk in order to inform the fiscal year 2012 and fiscal year 2016 budget bills.”

Madame Secretary, when Admiral Papp talks about incurring additional risk, he is not talking about risk to the Coast Guard. He is talking about risk to the American public. Given that risk continues to threaten our Nation—terrorism, the drug trade, human trafficking—why is it sound to put greater risk on the American people?

Secretary NAPOLITANO. Well, as I said earlier—I don’t know whether you heard me; there was a question raised about that—that was an early interagency memo that was leaked based on earlier budget assumptions that are not in fact the out-year budget assumptions for the Coast Guard.

That is not the policy of the Coast Guard, nor the Department of DHS, and so it is difficult to respond to a leaked pre-decisional draft document in a public hearing of this nature. But Admiral Papp is highly, highly qualified to be the next Commandant of the Coast Guard, and I think the Senate and the people of America will agree. He has a very, very distinguished service record in the Coast Guard and has served the people of this country very, very well. So let us just go there.

Now, with respect to the MSSTs, you are right. We have consolidated and regionalized them. It was the combined judgment with the Commandant of the Coast Guard that we could have the same reach in terms of response to possible terrorism activities at the regional level as opposed to having so many different places with their own MSST. There I understand there can be disagreement about that. I am sure those will be discussed throughout the appropriations process.

Mr. OLSON [continuing]. I know you don’t agree with me, because you are rolling your eyes there, but, you know, the Coast Guard’s—to have an asset on the scene within 2 hours. When your life is on the line, 2 hours is it might be an eternity—is an eternity if you are in the water. But again, Admiral Papp in his memo seems to be willing to modify those standards. I don’t want to go further, but do you support his assertion that more risk is acceptable, loosening the standard for on-scene response time?

Secretary NAPOLITANO. Representative, with all respect, I am just not going to get into a dialogue about a draft leaked memo. That is not the policy of the Coast Guard, nor the policy of the Department of Homeland Security.

Mr. OLSON. Again, I understand that. But the nominee—this is his memo.

Secretary NAPOLITANO. Well—

Mr. OLSON. He wrote it.

A couple of more questions, then. Admiral Papp seems also to reduce the security patrols by 10 to 15 percent, reducing the number

of Coast Guard response boats in both groups by cutting drug enforcement efforts by 25 percent.

Finally, he will end the Coast Guard's Maritime Security Response Team and has said that these reductions are "just a fraction of what is needed, and I am prepared to go further."

In my humble opinion, he has gone too far. In conclusion, again, I know you responded to my fellow Texan about his questions, and I appreciate your position, but if these radical proposals that this nominee—if these are things that he is actually thinking about that are good for the Coast Guard that he will enact when he gets into office, I think he is unqualified, and I ask that you reconsider supporting his nomination.

Mr. Chairman, I would like to ask unanimous consent that the memo be added to the record.

Chairman THOMPSON. Without objection.*

Mr. OLSON. With that, I yield back my time. Thank you.

Chairman THOMPSON. Thank you.

The Chairman now will recognize the gentleman from Texas, Mr. Green, for 5 minutes.

Mr. GREEN. Thank you, Mr. Chairman.

I thank you, Madame Secretary, for appearing today. Just as an aside, I maintain a prayer list, and I assure you that I am adding you to my prayer list. God bless you.

Secretary NAPOLITANO. Yes, thank you very much.

Mr. GREEN. Madame Secretary, quickly, would the imaging—we seem to be getting some feedback—would the imaging equipment that we have, the full body scan equipment at AIG, would that equipment have detected the bomb that was to be employed on Christmas day?

Secretary NAPOLITANO. Representative, I don't want to go into detail in an unclassified setting. Let me just articulate it this way. There is no doubt in my mind—

Mr. GREEN. Let me if I may, I will take it—I am going to retract that. I will retract that and just ask you this.

Secretary NAPOLITANO. All right.

Mr. GREEN. Is it perhaps among the best equipment that we have to do it?

Secretary NAPOLITANO. Yes.

Mr. GREEN. Okay.

Secretary NAPOLITANO. It is objectively better than the current iteration of technology.

Mr. GREEN. Exactly. I listened to your testimony, and here is where I am going. I thought you had good retorts for privacy concerns. It is unfortunate that we don't have that message pervasive to the extent that privacy advocates across the length and breadth of the country would at least give consideration to it, if they haven't already—ACLU, for example.

My question is to what extent have we had an opportunity to sit, dialogue, and try to work out these concerns with organizations like the ACLU?

Secretary NAPOLITANO. Representative, the chief privacy officer of the Department has been meeting with a number of members of

*The information has been retained in committee files.

the privacy advocacy community, for lack of a better word. Whether she has met directly with the ACLU I do not know, but we have been trying to educate that community on the fact that the earlier technology and how it works is just not the same as it is right now. So we continue that.

Privacy is a very important value for us. Civil liberties are important values for us. If we are going to continue to use different types of technology, we need to take those accounts into consideration at the front end.

Mr. GREEN. At the risk of being rude, crude, and unrefined, I have to go on quickly.

I think, Madame Secretary, that the logic we employ today will not be the logic that we will employ the day after—God forbid—a plane traveling at 500 miles per hour has its structural integrity compromise at 35,000 feet. Many of the folks who would say today, “I have a problem,” the day after that occurs—and God forbid that it will—they won’t use that same logic.

The beautiful thing about being a member of the public is you can be here today and there tomorrow and there are no consequences. We have the challenge of dealing with the consequences of our actions or our inactions, which is why I am just encouraging you to do as much as you can as fast as you can to get the answers that you have to the public, because I think you do a good job at responding to the privacy concerns. I really do. I think we need to get that message out.

Secretary NAPOLITANO. Thank you.

Mr. GREEN. I want to encourage you to do what the President is doing, but I will tell you today with the health care issue and C-SPAN live, but I would tell you that it wouldn’t hurt to have some of those people who have some of the sharp questions in the same room with you, televised so that people can hear you respond and know that this has been addressed, that it is of importance to you.

Now, quickly, there is about \$21 million that has been estimated to be the cost to transition from the Federal Protective Service, FPS, to the National Protection and Programs Directorate. Apparently, there is not a request for this \$21 million in the budget. Can you tell me quickly does this mean that we are now abandoning this program? Or does it mean that you have some other plans that we are not privy to?

Secretary NAPOLITANO. Representative, we have a spend plan, and that transition has basically occurred from ICE to the NPPD. The budget accordingly reflects that that transfer has basically occurred.

Mr. GREEN. Okay. Let me move—

Secretary NAPOLITANO. In addition, there was in the FPS account—my understanding is there was approximately \$200 million that had been unspent so that there are unspent monies as well to be deployed for FPS. So those two things go together.

Mr. GREEN. Thank you. Quickly now, the TWIC card. Some ports, as I understand it, are employing a card that is local along with the TWIC card, which is mandatory. Is there a need for multiple cards at these ports, or is the TWIC card one that should suffice for all ports?

Secretary NAPOLITANO. You know, I would have to know more about the local port setting and which workers are being used for it. But the TWIC card is designed to be a National—you know, it is a National check, a National card.

Mr. GREEN. The reason I ask is because there are the workers—I have had some to complain to me about having to have multiple cards. Apparently, there may be multiple costs associated with it. Just when you make wages, every dollar counts, and I want to represent them well.

Final question on TWIC is this. Do we have the scanners for all of the TWIC cards now? Are scanners in place across the country for the cards? We deployed the cards before we deployed the scanners, so have we deployed the scanners?

Secretary NAPOLITANO. We have a schedule to deploy the scanners beginning at the larger ports, but they are not all in place right now.

Mr. GREEN. There is a concern about fraudulent cards being developed. I am sure you are aware of it. There is even some question as to what crime is committed when that card is used. We know crimes are committed, but there is some debate about whether we go Federal, whether you are going to go local in terms of the crime. Perhaps some directive to some of the ports may be helpful.

Secretary NAPOLITANO. Yes, we will take a look at that.

Mr. GREEN. Okay. Thank you very much.

I yield back, Mr. Chairman.

Chairman THOMPSON. Thank you very much.

The gentleman from New Orleans, Mr. Cao.

Mr. CAO. Thank you, Mr. Chairman.

Chairman THOMPSON. Five minutes.

Mr. CAO. Madame Secretary, I just want to say that I have been one of your biggest fans, and I continue to be one of your biggest fans of the Congress, because I feel that you have done a tremendous job, given the complex environment in which we live. I would also like to thank your staff, who have worked very closely with us to promulgate rules in connection with CDLs that are very, very favorable to recovery.

But with that being said, I just wanted to reiterate the issues that we discussed prior to the hearing. In connection with the rules that are being promulgated, a problem might arise in connection with adjacent parishes to Orleans, who right after Katrina experienced a short period of increase in income, and it might present a problem for them in getting the CDL loans forgiven. So I would ask that you and your staff look, revisit the rules in connection with those parishes.

Secretary NAPOLITANO. Yes, sir. We would do that.

Mr. CAO. The second issue that I would like to address is the special CDL to private entities with service agreements with local governments. We have also discussed this prior to the hearing. I just want to give you the background of it.

Ochsner and Jefferson Parish have been working unsuccessfully since 2007 to obtain funding under this special CDL program enacted following Hurricane Katrina. This special CDL program assists local governments in providing essential services to their communities, and under the implementing regulations promulgated by

DHS, private nonprofit hospitals such as Ochsner are eligible to use these special CDL proceeds.

I just want to point your attention to the preamble to the regulations, which basically states to that fact. Because of this regulation, Jefferson Parish has deemed it appropriate to provide special CDL loan proceeds to Ochsner, because they provided Jefferson Parish with the essential health care services after Katrina when Charity Hospital was destroyed.

Based on my understanding, Jefferson Parish and Ochsner have corresponded and met with FEMA officials numerous times and as of February 2010, FEMA has yet to approve Jefferson Parish's application for this special CDL for Ochsner. So if you can look into that issue I would really appreciate it.

Secretary NAPOLITANO. I will ask FEMA to do that. Yes, sir.

Mr. CAO. Thank you very much.

My last question that I would like to ask you concerns the Maritime Safety and Security Team. Based on what I have heard so far, I guess, based on your budget, the team will be eliminated. The team in New Orleans serves a special role in security post-Katrina, and I wonder whether or not there is a way that this team can be pared down instead of fully eliminated.

Secretary NAPOLITANO. I think the theory of the Coast Guard there, Representative, was that particularly in places where we have also another, a large Coast Guard footprint, that simply paring down didn't make as much sense as simply consolidating to another nearby area.

Of course, New Orleans has a huge Coast Guard footprint. It is the same with New York. With the consolidation of the MSST team, they still have one of the largest Coast Guard deployments in the United States, so kind of the theory in terms of making smart and effective use of the dollars that we do get appropriated was that it was better to handle it this way rather than simply reduce the size of teams.

Mr. CAO. Thank you. That is all the questions I have.

Chairman THOMPSON. Thank you very much.

The Chairman now recognizes the gentlelady from California, Ms. Lofgren, for 5 minutes.

Ms. LOFGREN. Thank you, Mr. Chairman.

Thank you, Madame Secretary, for your presence here today.

I want to talk a little bit about how we approach some of these complicated technological questions. I will tell you that I was frustrated for a number of years on not only the results, but the process of how we were mapping vulnerabilities for infrastructure in the United States, most of it held in the public sector.

At one point I suggested that we outsource, for lack of a better word, the mapping to the National labs, who actually have some of the expertise available that we really didn't have, and I think still do not have, in the Department. That also relates to cybersecurity.

I know it is important that the cybersecurity function be in the Department. I don't quarrel with that. But I do think that there is an expertise that could be brought in from the National labs that is really hard to hire. I am wondering if you have thought about that. That is question No. 1.

Question No. 2, I will never forget in this room the testimony we received from the inspector general. I asked the question whether there had been the US-VISIT. US-VISIT had been hacked, and he said, "Who would know?" They didn't even deploy detection intrusion security. So I think from that, we need to do an assessment, a cyber assessment of our own Department. It is always better to have somebody from outside—that than to do it yourself.

Finally, I am interested—I know that your ICE director is a career prosecutor from DOJ. The responsibilities are split between departments, and I am wondering what kind of mechanisms have been put into place for the ICE director to share with the DOJ the need for additional immigration judges.

We are so short on immigration judges, and I remember when I was in local government, we had, I think, the second-largest county jail in the State of California. We had an overcrowding problem, but the answer was, in large measure, judges. It wasn't the need for more space. It was a need to process cases.

I think if you look at the amount of delay and the—not in every case, but when you have somebody who stays for a very long time, they are eating up a big budget at \$90 a day. It really makes more sense for the Government overall in some cases to hire, but it is different departments. I am wondering what kind of mechanisms to share that mechanism exist, if there is anything we can do to assist in that.

The final question is—it is kind of a little one, but I promised I would ask—customs and border security at Dulles Airport. They are not highly paid. They have got, you know, crummy hours and a hard job. I was shocked to find out that they have to pay for their parking on top of everything else out at Dulles. Is there any way to do something about that? So those are my three questions for you.

Secretary NAPOLITANO. On parking, I don't know. I will find out.

On the judges and the relationship between what we are doing on the enforcement side, we have the impact on the justice system. There were at least two joint meetings between DHS and DOJ at OMB when the President's budget for 2011 was being prepared to look at precisely that intersection. That is having been a prosecutor and a practitioner in the Ninth Circuit, I really appreciate that particular issue in a fundamental way.

With respect to cyber and use of the National labs and red-teaming ourselves, as I suggested earlier, it might be time for this committee to have a cyber hearing of some sort, perhaps in a classified setting, to get—excuse me, to get a better sense of where it is that we are heading. I think we have made great strides this year, but there is no doubt that we have much work to do.

Ms. LOFGREN. Can I follow up on the infrastructure vulnerability, because it is not just cyber? I mean, it is cyber, but they are—you know, we had, harking back to some of the lists we had, we had, I mean, the Santa Cruz Boardwalk placed in Santa Clara County and miniature golf courses on the list. I mean, it was an embarrassment to everyone.

I spent a lot of time on it, and the real problem was that we were asking people who really didn't know in local governments and in

law enforcement to do something that was outside their field of expertise.

When you look at the entire system—and I don't think we have accomplished it yet—you know, you can't protect unless you know the critical vulnerabilities. Have you given a thought on how we might team that, how to swarm that effort?

Secretary NAPOLITANO. Well, we have done a lot in the sense of really looking at where are the Nation's critical and what—first of all, what is a critical infrastructure?

Ms. LOFGREN. Right.

Secretary NAPOLITANO. How do you define it? Where is it? How is it protected? What private sector section does it belong in that we need to interact with? Then how do we—to the extent that is a cyber network, how do we deal with that? To the extent it could be a possible target, how do we deal with that? Also the relevant consequence management, should there be a successful attack.

I would just suggest that I think that there again, there has been a lot of good work done in the last 7 years. There is more work to be done, and the National labs can be very helpful there as well.

Ms. LOFGREN. Thank you.

Mr. Chairman, I wonder—certainly, we don't want to discuss here publicly what we know has not been attended to in our various jurisdictions, but maybe we can look to have a more confidential session with the Secretary to explore that, and I think that—

Chairman THOMPSON. We had already taken note based on an earlier conversation.

Ms. LOFGREN. Oh, very good.

Chairman THOMPSON. We will coordinate their schedules for that to occur.

Ms. LOFGREN. Thank you very much.

Chairman THOMPSON. Thank you.

The Chairman now recognizes the gentlelady from California, Ms. Richardson.

Ms. RICHARDSON. Whew! I don't know about you, but I am glad we are getting down the line here. Madame Secretary, it is great to see you as always, and thank you for your attendance and your frankness regarding this serious issue. I have got four key questions, so I am going to ask them quick, and if I can get your indulgence, I would appreciate it.

No. 1, your fiscal year 2009 budget was 52.7. How much of that did you actually spend—was expended?

Secretary NAPOLITANO. I will have to get back to you on that.

Ms. RICHARDSON. Okay. My second question. Madame Secretary, we on the committee are very much aware of the administration's supplemental budget request to provide an additional \$5.1 billion to the disaster relief fund. Of these funds, \$1.5 billion is to be used to pay for arbitration judgments in favor of the entities affected by Hurricane Katrina, such as Charity Hospital in New Orleans.

Looking past the significant amount of money that is needed, I am troubled that the Civilian Board of Contract Appeals found in at least two cases that the experts representing FEMA were less experienced and less credible and have spent less time in the building than the entities' representatives, and were also unlicensed.

In other words the officials chosen by FEMA to make the judgments related to public assistance decisions were not the type of individuals who should have been making the decisions in the first place. I realize that initial part was done prior to you coming; however, what are you intending to do to ensure that we have the right people making the decisions on public assistance?

Secretary NAPOLITANO. Well, we have done a lot of work in FEMA, as I think Representative Cao acknowledged. Part of that is making sure we do have the right people making the right judgments.

One of the really reforms that happened this last year was the Congress passing the ability to arbitrate some of these claims so that we could get them resolved, decisions made, and people could get on with their lives.

The supplemental that the President has submitted will cover those arbitrations. It will also cover, I think, \$1.1 billion that will be necessary for the schools and their reconstruction, the ones that are still left. And so with that, we think we will really end the year with the Katrina-Rita arbitrations done.

Ms. RICHARDSON. According to my notes, \$1.5 billion, which is quite a lot of money. I think what this committee is looking for are: Have specific standards been put in place to ensure that the new people who are coming in or the people who are there at a minimum are licensed? As this report said, less experienced, less credible and all those things—do we have some sort of standards in place to ensure that that has been corrected?

Secretary NAPOLITANO. Congresswoman, I have asked the general counsel to make sure that we have the right people in place to do that.

Ms. RICHARDSON. Okay. My third point—and I am now down to 2 minutes—looking at the budget, and what I really have spent a lot of my time working on, I want to associate myself with all of my colleagues, their concerns with the SAFER and firefighter grants.

I am going to have a—I don't see myself supporting the budget as it is with that decrease. Also, the Emergency Operation Centers, I just find something that I personally worked on for about 10 years from the local government to today, seeing it evaporate before our very eyes is disturbing.

Then finally, looking at the Coast Guard as well, you know, it just makes us wonder. We understand the size of your Department and all the areas, but these suggested decreases are very concerning to us as the committee and to me personally.

But finally, the cargo security, which you know I have a great interest in, and we have had a couple of discussions, and I think your first time here I mentioned to you the 9/11 requirements that were coming forward, and it is my understanding the Chairman mentioned it to you as well, and I am very concerned with the potential, from what I see here, of 47.87 percent. In my business here, what I know about money, once you cut that much, you probably never get it back.

When I look at on the flip side more money being spent for Secret Service—now, in this very committee we had the head of the Secret Service say that the complaints or the threats that have

come through have not been any greater than any other President, which I found surprising, but that is what he said—candidate protection and all that.

You know, I am concerned that the pendulum is not swinging too far one way and we are missing the foxes, literally, in our bedroom. So for me, because this happens to be my bedroom community that I live in, I would just have serious issues with the decisions made regarding cargo security and wanted to hear your thoughts.

Secretary NAPOLITANO. Well, I think I have already shared those. We will be happy to provide you with further.

But we think with the 10 + 2 rule, with 24-hour notification, with the transformation to electronic record collection as opposed to having to move paper, that that combined with the fact that you can't just look at cargo coming in one way—that is just one way; if you were to view the United States as a house, it is only one way to the house—there are a lot of things, other things that need to be covered.

But that, the methodology that we are using, will yield the greatest security and that the margin added for the 100 percent requirement doesn't give you that additional amount of security where we would be better off doing some other things.

Ms. RICHARDSON. Well, Madame Secretary, and as I close, your predecessor was not particularly supportive of the reality of achieving the 9/11 time frames. I believe when you came, you were equally not as committed of meeting those time frames. So I hope to work with the Chairman and this committee. I view it as a serious issue.

We went on a Congressional delegation, and when I asked at that port, and it was a foreign port, how many of the cargo are you inspecting other than what is required of being pulled aside, and the answer was none.

I believe, just as we saw, you know, we can all panic and respond and knee-jerk with the Christmas day bomber, but I believe it is not a question of if. It is when eventually this will come back to bite us.

So I look forward to working with you. I know you believe in security, and that is why you are serving, and we are grateful for it. But it is a No. 1 priority for me. Thank you very much for your time.

Chairman THOMPSON. Thank you very much.

The Chairman now recognizes the gentlelady from Texas, Ms. Jackson Lee.

Ms. JACKSON LEE. Mr. Chairman, thank you very much, and sorry for my delay managing bills on the floor.

I thank you, Madame Secretary, for being here. Let me start out by acknowledging all the men and women that work for the Department of Homeland Security. I am still trying to calculate whether it is the largest or next-to-largest of our departments, but certainly it has had some steep mountains to climb in terms of the many district groups that have come together. I want to thank them very much for their service and thank you.

As was indicated when we conversed, I do understand that the Christmas day bomber had origins beyond some of the boundaries and responsibilities of TSA, in particular the TSO officers, and I

think that should be noted. But we know that we want to be perfect. We have to, because we are in the business that we are in.

So I have a series of quick questions, and since this is a budget hearing, I would like to mention some policy issues that you might not have time to talk about, but I would suggest starting out with.

I do think we need a time frame for discussions on comprehensive immigration reform. Of course, there are overlapping jurisdictions, and that might be a policy question that one might want to have in our budget writing to at least set us on track for something that I think is enormously important.

My committee has held several hearings on encouraging private sector entities to secure themselves against a potential attack. As you know, this is generally not done by regulation, but through DHS voluntary partnership with the private sector.

We had a hearing on the Mumbai attack so that we would understand what could happen in the United States and what is being done in the United States. The PS-Prep program, a part of the 9/11 Act, was discussed. It is clear that this program could be leveraged to assure that our private sector partners are taking tangible steps to secure facilities that have been targeted by terrorists.

Please discuss the status of this program, when it will begin to certify businesses and the amount of money dedicated to it in the budget both at FEMA and the Office of Infrastructure. That is the PS-Prep program—I don't know if you heard me. Then I will just leave you.

I would appreciate whether or not we are funding Science and Technology more or staffing it up, because the complaint is that we cannot get needed security inventions or technology confirmed quick enough.

I understand the air cargo question was asked, but if you have a better answer as to when you might think we would complete that requirement. I would like to find out whether or not the Galatin match, where they don't have to match, has been added.

Then the Citizen Corps—I understand we are not funding it, and we were just making progress. Administrator Fugate was in Houston talking about the value of the Citizen Corps. We were working to get the Corps—this is the response teams citizens in minority neighborhoods, which we had really not reached. I just want to know are we lowering the funding, or do we have funding that we can utilize? I would like to see it bumped up.

I yield to the Secretary.

Secretary NAPOLITANO. Representative, on several of these, why don't I ask your indulgence and just get back to you with specifics on those?

I do want to pause a moment on S&T, however.

Ms. JACKSON LEE. Just let me know the ones you are going to get back to me on.

Secretary NAPOLITANO. Well, the rest of them. I have got them here. We are taking notes.

But we now have an Under Secretary for Science and Technology in place. She was confirmed not too long ago, but we have been working really vigorously to make sure that Science and Technology is really incorporated throughout the Department, not just in that directorate.

But we are using that in terms of helping set standards, set requirements for the contracting that we do moving forward. That, we think, will help drive innovation on the vendor side, which is very important.

Ms. JACKSON LEE. But it is the speed as well. It is too slow, and you are hurting small businesses. We really want to work with you on that.

Secretary NAPOLITANO. Yes. We would be happy to work with you.

Ms. JACKSON LEE. All right. Thank you.

Chairman THOMPSON. Thank you very much.

Unanimous consent to recognize Mr. Rogers for a follow-up question.

Mr. ROGERS. Great. Thank you, Mr. Chairman.

Madame Secretary, earlier our colorful good friend from New Jersey was trying to get you to name one thing in the last year you had asked us to do. What he was after was a follow-up to my questioning about jurisdictional consolidation. We need you to urge the President and Speaker Pelosi and Leader Reid to make this political lift.

As you had mentioned early, the size of your Department is substantial. This Congress had the same difficulty when it established the Pentagon and put everything under HASC in the House and SASC in the Senate for the Armed Services, the various branches.

We need you to exercise what Lee Hamilton called for, and that is the call for the political will to consolidate jurisdiction in this committee. That is what he was trying to get you to say. What have you done? Have you asked for it?

We have had so many of your people in leadership positions testify before this committee about their frustration of having 86 different committees and subcommittees they have to answer to. I heard Ms. Richardson make a reference to our joint concern about the Fire Grants and the SAFER grants. Those come out of the Science Committee. Transportation has Coast Guard as well as on and on and on, Judiciary, Oversight.

It is a political lift, because they are going to aggravate a lot of Chairmen when they start trying to take jurisdiction away from them and consolidate it here, but it needs to be done to make sure your Department has uniform and consolidated leadership in the Congress, know what the Congress is expecting for you, and take a lot of burden off of you all.

So I would like to ask are you willing to do that? Are you committed to trying to see that the Congress pursue that remaining 9/11 Commission recommendation that has not been satisfied?

Secretary NAPOLITANO. Well, Representative, it is something we have discussed with Congressional leadership. We have raised not just the number of committees, but the amount of work attendant upon that.

Just this morning in our Appropriations Subcommittee, the Chairman was making some very legitimate complaints, really, about the delay in getting some reports. But I think he was surprised when I pointed out that just in that subcommittee we had 300 mandatory reports. That doesn't even include this committee

or the volume of correspondence and hearings that this committee generates.

So the answer is that that is one recommendation of the 9/11 Commission we would like to see pursued. It is something that we have spoken with Congressional leadership about.

Mr. ROGERS. Great. Have you spoken about it with the President as well?

Secretary NAPOLITANO. I have.

Mr. ROGERS. Excellent.

Thank you very much, Mr. Chairman.

Chairman THOMPSON. Thank you very much.

The gentleman from Texas had a follow-up.

Mr. GREEN. Yes. You indicated, Madame Secretary, that you were going to deploy the TWIC card readers, but you did not give me the date. I would like to have the date of deployment for those readers, please.

Secretary NAPOLITANO. I think some have been deployed. There is a schedule by which they are rolling out. We will get that schedule to you. I don't have it at my fingertips.

Mr. GREEN. All right. I would like to get the schedule.

Finally, I would like to associate myself with the comments of the Chairman with reference to the 9/11 Commission recommendation of 100 percent cargo screening. It is important to us. Thank you.

Chairman THOMPSON. Thank you very much, Madame Secretary. I have one question before we close the hearing. I understand that the President has established a long-term natural disaster recovery working group. Can you just kind of give the committee: If you are involved in that at all, and just how is it coming?

Secretary NAPOLITANO. Yes, I co-chair it with the Secretary of HUD. It is designed to—we have a National Response Framework, which is what you do in the immediacy of a disaster and the immediate aftermath, but what you do long-term to restore housing, small business, neighborhoods, communities.

At what point does HUD take over the housing? At what point is SBA brought in? Do you waive certain requirements for loans and CDBG grants and the rest if it is part of a long-term recovery from a natural disaster that you otherwise wouldn't have?

I believe we are scheduled to give our recommendations to the President in early April, and we are on schedule to do that. We would be happy to conduct a briefing for the committee after the President has a chance to look at them.

Chairman THOMPSON. Right. One of the issues I want you to look at is to what extent does pre-disaster mitigation come into being. We are still, as you know, paying a tremendous tab for Katrina and some other natural disasters.

But if we have in place some pre-disaster mitigation program, even though hurricanes and other things would come, to the extent that we could fortify areas with significant construction requirements and some other things, the cost over time would be less than what we are faced with right now. So I would hope that you would look at it.

We have been working with a number of groups around the country, trying to see whether or not there are some opportunities.

There are some real smart people who have looked at cost-effective mitigation efforts, especially for homeowners and other people who live in some of those impacted areas.

With a little help from HUD and DHS, I think we could push the concept that would drive down insurance rates and a number of other things so that the dollar figure for the cost would not be less. Let me suggest that there is a group called the smarter safer.org.

Secretary NAPOLITANO. I am sorry—the Smarter Safer—

Chairman THOMPSON. Smarter Safer Coalition. They have been corresponding with your office. We will provide to you some information on it. These are people who come up with bright ideas. I would think that some of those vetting of those ideas would bear fruit for what you are looking at, and I would suggest that after we provide it, if you would do it, we would appreciate it.

Secretary NAPOLITANO. Be happy to look at those. Absolutely.

Chairman THOMPSON. I thank you for your time. You have been most gracious. Four hearings in 2 days is probably a record, but if this one was any indication of those, you have done all right, and I want to thank you for that. The Members of the committee might have additional questions for you, and we will ask you to respond expeditiously in writing to those questions.

Hearing no further business, the committee stands adjourned.

[Whereupon, at 4:59 p.m., the committee was adjourned.]

APPENDIX

QUESTIONS SUBMITTED BY CHAIRMAN BENNIE G. THOMPSON OF MISSISSIPPI FOR
JANET NAPOLITANO, SECRETARY, DEPARTMENT OF HOMELAND SECURITY

Question 1a. I am pleased that you are taking on this major challenge to the institutional stability of your agency by proposing a “Balanced Workforce” program in your fiscal year 2011 budget request. The ratio of contractors to Federal employees at the Department is an issue that the committee has repeatedly identified. This new initiative to address this over-reliance is certainly encouraging; however, I do have some questions.

What is the Department’s strategy to determine what positions will be changed over from contract to Federal? Will you simply stop renewing large contracts that are slated to expire or will there be a position-by-position analysis?

Answer. We will use workforce planning efforts to identify the proper balance of Federal employees and contractor resources to achieve the Department’s mission. To this end, under direction of the Under Secretary for Management, the Office of the Chief Human Capital Officer (OCHCO) has established a Balanced Workforce Program office. The executive for this office will work closely with key stakeholders in developing a long-term comprehensive strategy for the Department. Contracts will be reviewed to ensure that the work is not inherently Governmental, unauthorized personal services, or core/critical competency.

Question 1b. I agree with the statements by contractor industry groups that “in-sourcing solely for the sake of in-sourcing or on the basis of arbitrary quotas” would be a detriment to the Department as it fulfills its missions. How are you avoiding arbitrary quotas and ensuring that there is a systematic approach in identify positions for conversions?

Answer. We are not setting quotas, but under the leadership of the Balanced Workforce Program office, assessing the unique workforce need of each Component. Our approach is to ensure that functions that are identified as inherently Governmental, unauthorized personal services, or core/critical competency are performed by Federal employees. Approximately 3,500 positions have been identified as such and will be in-sourced. Thereafter, the Balance Workforce Program office will provide the oversight necessary to ensure the Department develops a systematic approach to determine the appropriate ratio of Federal employees to contractors.

Question 1c. Please provide a breakdown of how many positions you expect to transition in fiscal year 2011, Department-wide and by agency, and the anticipated cost savings or avoidance for such position conversion.

Answer. Please refer to the chart below.

DEPARTMENT OF HOMELAND SECURITY WORKFORCE BALANCING FISCAL YEAR 2011

[Dollars in Millions]

Component	Contractor Positions	FTEs	Fiscal Year 2011 Cost Savings	Fiscal Year 2011 Total Cost Reduction to Contractual Services	Fiscal Year 2011 Increase in Federal Personnel Funding
CBP	950	475	\$40.6	\$140.6	\$100.00
OHA	20	16	2.30	4.20	1.90
S&T	35	35	0.42	7.12	7.12
USCG	300	300	2.70	41.33	26.83
NPPD	306	360	13.20	56.90	43.70
ICE	47	47	2.35	9.40	7.05

DEPARTMENT OF HOMELAND SECURITY WORKFORCE BALANCING
FISCAL YEAR 2011—Continued

[Dollars in Millions]

Component	Contractor Positions	FTEs	Fiscal Year 2011 Cost Savings	Fiscal Year 2011 Total Cost Reduction to Contractual Services	Fiscal Year 2011 Increase in Federal Personnel Funding
OSEM—Executive	20	.....	2.50	2.50	.....
Secretary	1	1	0.23	0.11	0.87
FEMA	28	14	1.46	3.03	1.56
A&O	138	125	17.77	36.89	19.11
USM—Office of Human Capital	15	15	0.00	6.10	2.30
USM—HRIT	25	25	0.00	5.40	3.87
USM—Office of Procurement	0	0	0.00	0.00	0.00
USM—Office of Security	72	72	0.00	6.08	2.85
CFO	38	19	0.00	1.85	1.85
OCIO	27	106	0.00	12.41	12.41
WCF	0	34	0.00	6.48	5.27
Total DHS	1,322	1,419	\$72.75	\$329.61	\$236.69

Question 2. As you know, this committee has raised many concerns with the development of the Transformation and Systems Consolidation (TASC). We have determined that the previous administration failed to conduct the proper due diligence prior to issuing a “Request for Proposal.” Keeping that in mind, and seeing that there are funds within the fiscal year 2011 budget to fund TASC, what steps are you taking to make sure that the Department will get a system that will resolve DHS’ well-documented financial management issues?

Answer. The Department has taken a top-down approach in guiding the consolidation of financial, acquisition, and asset management systems. DHS is in the process of establishing an Executive Steering Committee (ESC), which will provide strategic leadership and direct the Department’s vision for TASC. It is anticipated that the ESC will be headed by the Under Secretary for Management and membership will be derived from the Department’s CXOs and Components.

A departmental Integrated Management Team (IMT), consisting of the Offices of the Chief Financial Officer (OFCO), the Chief Procurement Officer (OCPO) and the Chief Information Officer (OCIO) are performing a thorough review of the TASC initiative. DHS has developed program management planning documents, processes, and plans in accordance with DHS Acquisition Directive 102-01 (AD 102-01) and insights gained from the IMT. DHS is also taking steps to ensure adequate staffing for the TASC program management office (PMO) that continues to build a robust team of full-time Federal employees with expertise in project management, systems accounting, change management, acquisition management, business intelligence, accounting services and systems to successfully manage TASC. TASC leadership has a risk management plan which was presented to Congress in the fiscal year 2010 TASC Report to Congress.

Based on recommendations contained in the December 2009 GAO report titled, “Financial Management Systems: DHS Faces Challenges to Successfully Consolidating its Existing Disparate Systems, GAO-10-76,” the oversight of the Independent Verification and Validation (IV & V) team is now performed by the Department’s OCIO.

Independent verification and validation (IV & V) contractors continue to support the Department’s CFO, providing comprehensive and mature oversight throughout the program life cycle. Specifically, IV & V reviews documents and processes for completeness and correctness; quality assurance over project deliverables and cost; and compliance assessments against enterprise architecture, security, performance requirements, and organizational standards.

Question 3. Like you, I am concerned about the human resources challenges that DHS faces. Accordingly, I want to make certain that the Office of the Chief Human Capital Officer has an adequate budget to address the Department’s long-standing

problems with morale and diversity and to promote a common culture among all DHS employees. The budget request for this office is \$24.9 million; a slight decrease from fiscal year 2010 enacted levels.

Please outline what portion of the Department's \$24.9 million request will be allocated to meet your goals for: (1) Hiring reform; (2) workforce diversity and outreach; and (3) leadership development?

Answer.

The Department expects to allocate a portion of its \$24.9 million as follows:

- *Hiring Reform.*—\$7.6 million (to include policy development, workforce engagement, human capital planning, and human resources program accountability, but not information technology-related investments.)
- *Workforce Diversity and Outreach.*—\$2.7 million.
- *Leadership Development.*—\$6.3 million (not including the operational component of SES candidate development programs, which is within the working capital fund).

Question 4a. Having the appropriate personnel to carry out the important mission at the Office of Intelligence and Analysis (I&A) is essential. However, in previous years, I&A has been unable to hire and sustain the number of FTEs requested.

What steps are you taking to improve the process by which you recruit, clear, and hire personnel to meet your FTE request for this year? What improvements do you expect to have in place to fill the FTE request for fiscal year 2011?

Answer. The Office of Intelligence and Analysis (I&A) senior leadership has made hiring up to full strength as rapidly as possible a top priority. Internal improvements include:

- Weekly senior leadership meetings chaired by the Under Secretary to focus on the hiring effort;
- Working with the Department's Office of the Chief Human Capital Officer (OCHCO) to establish open continuous announcements, whereby the best qualified group of candidates is referred for selections to multiple similar positions. This significantly improves the overall efficiency of our hiring process;
- Drastically decreasing the time it takes to process hiring packages—from crafting position descriptions to selecting candidates, to staffing hiring packages, managers are held accountable for making hiring a top priority; and
- I&A has a full-time trained Recruitment and Outreach Coordinator focused on a targeted college and university recruitment program. Recently, I&A participated in a virtual career fair with other Intelligence Community (IC) organizations, where over 8,000 applicants registered for I&A's virtual booth.

I&A is also working with relevant stakeholders to improve the efficiency of the external processes that affect hiring time frames.

- I&A is working with OCHCO on regaining some form of Direct Hire Authority.
- To reduce the amount of time it takes for a selected candidate to clear the investigation process, I&A has increased coordination efforts with the Office of Personnel Management by assigning a Security Specialist from I&A to the Department's Office of Security to facilitate rapid processing of I&A applicants through the DHS security clearance process.

Question 4b. Are there additional authorities you need in order to better execute the hiring and/or retention of qualified personnel?

Answer. Direct Hire Authority would increase I&A's ability to compete for talent with the IC and the private sector and I&A is working with OCHCO and OPM on regaining some form of Direct Hire Authority.

Question 4c. What steps have you taken to ensure you are hiring, retaining, and developing a diverse workforce?

Answer. I&A is committed to actively seeking a diverse and competent workforce. In the first two quarters of fiscal year 2010, the I&A Recruitment and Outreach Coordinator and I&A managers participated in numerous college and university career fairs and job fairs likely to provide candidates to help I&A increase its diversity numbers with regard to African Americans and Hispanics. Examples include participation in the Norfolk State University Career Fair and University of Texas-Pan American Career Fair. I&A also has participated in events sponsored by U.S. Military affiliates and veterans groups and plans to participate in upcoming events with groups such as the League of United Latin American Citizens, Asian Pacific American Association, Blacks In Government, Society of American Indian Government Employees, and Federally Employed Women, as well as the Federal Hiring Event for People with Disabilities.

Question 5a. In June 2009, Mr. Bart Johnson, the then-Acting Under Secretary for Intelligence and Analysis, testified before our Subcommittee on Intelligence that contractors made up 60 percent of I&A's workforce. He acknowledged that this was

a problem and that I&A was working to shift the balance between contractors and Federal employees.

How does your budget request support a contractor-to-Federal employee conversion?

Answer. The fiscal year 2011 budget request includes conversion of 87 contractors to permanent Government employees. This is in addition to the conversion of 110 contractors appropriated to I&A in fiscal year 2010.

Question 5b. What percentage of I&A's workforce is currently made up by contractors?

Answer. I&A's workforce is currently made up of 55 percent contractors.

Question 5c. By the end of fiscal year 2010, what will the percentage be?

Answer. I&A's goal for the end of fiscal year 2010 is to have the percentage of contractors at no greater than 47 percent.

Question 5d. By the end of fiscal year 2011?

Answer. I&A's goal for the end of fiscal year 2011 is to have the percentage of contractors at no greater than 38 percent.

Question 6a. In light of the attempted terrorist attack on Flight 253 on Christmas day 2009, I am surprised that the budget does not request greater investment in CBP's passenger prescreening programs and technology, such as CBP's National Targeting Center and Advance Passenger Information System. That said, how does CBP plan to change or improve its passenger prescreening processes in the upcoming fiscal year?

Answer. The administration had to weigh a number of competing and worthy priorities while it was formulating the fiscal year 2011 budget. However, after careful consideration of its priorities, the needs of the American public and all the available options, the administration decided to focus its resources on the priorities contained in the President's budget.

CBP carefully examined its passenger screening processes and procedures and has already implemented or planned a number of initiatives that will improve its capabilities. The most significant of these include the Pre-Departure Program, exploring expansion of the Immigration Advisory Program (IAP), and the CBP partnership with TSA.

The Pre-Departure program was created to identify and prevent the boarding of high-risk travelers who seek to travel on a commercial air carrier destined for the United States. The Pre-Departure Program mirrors the IAP vetting procedures; the NTC-Passenger works with the CBP Regional Carrier Liaison Group, which then reaches out to the local U.S. Immigration and Customs Enforcement Attaché, CBP Attaché, Air Carrier Security Office, etc to assist with contacting the specific airlines to recommend that these identified travelers not be permitted to board an aircraft destined to the United States.

The fiscal year 2011 budget request maintains IAP operations at its current level and allows for evaluation of expansion to various other sites. Expansion criteria is based on several factors, including but not limited to, the amount of passenger traffic from the airport to the United States; the number of high-risk passengers traveling from the airport to the United States; and the conclusion of successful negotiations between the United States and the respective foreign government.

Question 6b. The budget requests an additional 103 intelligence analysts for CBP's Office of Intelligence and Operations Coordination (OIOC). According to the budget, these analysts are to support CBP Intelligence Watch, Operations Coordination, and the Commissioner's Situation Room.

Please elaborate on the kind of work that these analysts will perform, and how their activities will fit into the mission of CBP and DHS. Also, please describe the OIOC's relationship with I&A.

Answer. The CBP Office of Intelligence and Operations Coordination (OIOC) is responsible for providing intelligence support to decision-makers from the policy level to the action level—officer and agents responsible for securing the U.S. border. OIOC is CBP's representative in the DHS Intelligence Enterprise, led by the DHS Office of Intelligence and Analysis (I&A). The relationship between the Components is collaborative and mutually supporting.

The additional 103 intelligence analysts will enable OIOC to enhance current programs, including:

- 24x7 National Intelligence Watch that provides watch and warning to the entirety of CBP;
- 24x7 Tactical Intelligence Cell that provides direct support to the CBP National Targeting Center-Passenger;
- Management of CBP intelligence collection and requirements processes;
- Short-term analytic efforts focused on immediate and near-term threats;

- Begin development of a CBP-wide common intelligence picture (CIP) providing real-time intelligence and basic war-gaming capability throughout this agency.

Question 7a. On the morning of February 18, a dog involved in a CBP training exercise at Dulles International Airport bit a 4-year old girl. This was an unusual incident in the otherwise impressive record of the program's 40-year history. However, I am aware that there have been changes to the curriculum and training and a discontinuation of the Labrador breeding program. Please provide answers to the following items:

What actions has CBP taken since February's attack to reassess its program?

Answer. On the advice of Counsel, we are declining to respond, as we anticipate that this matter will soon be in litigation.

Question 7b. Describe changes made to the training prior to February's incident.

Answer. No changes were made in the training of the passenger processing sub-discipline prior to the February incident.

Question 7c. Explain the rationale used in discontinuing the Labrador breeding program.

Answer. The breeding program has not been discontinued; however, it has been temporarily suspended pending a reassessment, due to the numerous discrepancies found during an initial evaluation. This evaluation consisted of reviewing all the administrative functions of the breeding program, as well as selection testing of the canines in the rearing program at the time. The decision was made to temporarily suspend the breeding program due to the fact that all the canines in the program failed to demonstrate that they possessed the necessary genetic drives to perform detection work at the required level.

Question 7d. Have there been any studies to compare breed characteristics in the various CBP work environments such as airports, land ports of entry, border checkpoints to verify how breeds respond in those locations?

Answer. No conclusive studies comparing breed characteristics in the various CBP work environments have been conducted.

Question 7e. Has there been any discussion within CBP of how different breeds are perceived by the public and how the public responds to them?

Answer. No, the CBP Canine Program is focused on procuring canines that possess the necessary genetic drives to fulfill its mission.

Question 8a. Section 428 of the Homeland Security Act authorized the creation of the Visa Security Program, which deploys ICE agents to high-risk areas worldwide to conduct security reviews of visa applications. According to a 2008 DHS Office of Inspector General report, ICE's Visa Security Units offer valuable resources to consular officers in support of visa operations. However, I understand that DHS has run into resistance establishing these units at certain embassies and consulates.

Have there been delays in the establishment of visa security units in new locations? If so, please identify the source(s) of the delays.

Answer. In 2008, ICE and the State Department collaborated on VSP's site selection methodology and presented the joint findings to the HSC. Additionally, DOS and ICE VSP released a 2008 cable to all posts highlighting the joint accomplishments of the State Department and ICE VSP efforts overseas. At posts where ICE VSP operations have been established, DHS and State Department personnel have established strong and productive partnerships that enhance the security of the visa process.

While ICE VSP's cooperation with the State Department has been largely successful, ICE VSP has occasionally faced concerns from individual Chiefs or Deputy Chiefs of Mission towards the establishment of new VSUs in certain locations. The process for evaluating an agency's request for locating a position in a Mission overseas is set forth in NSDD-38. Under NSDD-38 procedures, a Chief of Mission must determine whether to accommodate additions to Mission personnel. The Chief of Mission will consider available space, resources, support capabilities, the threat level at post, and existing presence at post of the agency requesting new positions when making a determination on an NSDD-38 request.

Question 8b. Have these delays contributed to the fact that there is no additional request of funds for the program for the next fiscal year?

Answer. Based on the funding provided in each year, ICE has been able to deploy to approximately 3-4 posts per year. ICE presently has fiscal year 2010 funds available to open new Visa Security Units (VSUs) in Sana'a, Yemen; Tel Aviv, Israel; Jerusalem, Israel; and London, United Kingdom, and to expand ICE's existing presence in Amman, Jordan; Saudi Arabia; and Frankfurt, Germany. ICE is currently moving forward with deployment to these posts. ICE currently has funds to sustain operations at the new posts, but will require additional funds for future expansion.

Question 8c. What effect has the Flight 253 incident had on prospects for expansion of the Visa Security Program?

Answer. The determination of high-risk locations is a fluid and dynamic process that changes as new threats are identified. Since Flight 253, ICE is updating the list of high-risk posts. Based on this new analysis, ICE will continue to aggressively expand the VSP within its allotted resources.

Question 9a. Our current immigration detention system is comprised of a patchwork of ICE-owned facilities, private detention centers, and hundreds of State and local facilities.

How will ICE use the funding proposals in this budget request to accomplish the ambitious detention reform goals ICE announced last year?

What role do you see the Alternatives to Detention programs playing in ICE's detention management strategy in the future?

Answer. ICE will use the funding proposals in the fiscal year 2011 budget request to accomplish detention reform goals by:

- Monitoring and adjusting, as needed, the implementation of a medical classification system to support immigration detainees with unique medical or mental health needs.
- Minimizing transfers, thus decreasing costs associated with transportation and delays in proceedings.
- Creating a library of contracts for all facilities with which ICE has active agreements, and centralizing all contracts under ICE headquarters' supervision. At present, the Office of Acquisitions at ICE headquarters negotiates and manages only 80 of the approximately 270 contracts for detention facilities. The remaining contracts are overseen by several ICE field offices and the Office of the Federal Detention Trustee. ICE will aggressively monitor and enforce contract performance in order to ensure contractors comply with terms and conditions—especially those related to conditions of confinement. When confronted with repeated contractual deficiencies, ICE will pursue all available avenues for remedying poor performance, including termination of contracts. In the long term, this effort is expected to yield cost savings and a better managed and more efficient contracting process, though these initiatives may require additional resources at headquarters.
- Completing the hiring of 39 Federal employees to provide on-site oversight at ICE's largest detention facilities, where more than 80 percent of immigration detainees are housed, and strengthening the day-to-day oversight at these facilities. ICE is developing training courses, policies, and procedures to ensure this cadre of personnel is well-trained and managed. These 39 Federal employees will replace ICE employees who were given temporary duty assignments in fiscal year 2010 to perform this mission.
- Continuing to house non-criminal, non-violent populations based on a risk assessment and custody classification in the appropriate facilities. ICE is planning to pilot this risk assessment tool beginning in May 2010. These populations include arriving asylum seekers, who are generally housed at facilities such as the Broward Transitional Center, in Florida. ICE will also complete two residential facilities as immigration detention facilities for non-criminal, non-violent populations. In fiscal year 2010, DRO transitioned the T. Don Hutto Residential Center in Taylor, Texas, from holding families, to holding 512 single adult females in a residential custody environment.
- Updating the Performance-Based National Detention Standards (PBNDS), which are currently with the publisher and implementing new Family Residential Standards.
- Continuing our efforts to consolidate existing detention facilities into fewer facilities that are more in line with the administration's detention reform initiatives.
- Continuing the recently established Detention Monitoring Council reviews of detention facility inspection reports, assessments of corrective action plans, ensuring remedial plans are implemented, and determinations of whether the use of a facility should continue.

The Alternatives to Detention (ATD) program has a critical role in ICE's detention management strategy, by providing ICE with the option to release individuals that are considered to be low-risk. Each potential participant will be evaluated on a case-by-case basis by trained ICE officers using a refined risk assessment tool created by the Office of Detention Policy and Planning. This tool will assist the officers in making a determination on an appropriate level of reporting and technology, based upon multiple factors that include, but are not limited to, ties with the community, family obligations, criminal history, and their stage in the immigration court proceedings. With the assistance of the ATD program, ICE will be able to release low-risk individuals and families from detention and free up bed space for higher-risk aliens, criminals, and others who could be a danger to the community.

On January 25, 2010, the Executive Office for Immigration Review and ICE began a fast-tracking pilot for participants on ATD in Baltimore and Miami. The goal of the pilot program is to reduce the average length of time that participants remain on ATD, pending a hearing, from 310 days to 180 days. As of April 13, 2010, 213 participants have been placed into the pilot program.

Question 10. The committee is pleased to see that the TSA budget provides resources to address the video surveillance gap that was identified earlier this year, when a security breach shut down the Continental Airlines terminal at Newark International Airport. Certainly, we could have seen a better response from TSA and local law enforcement authorities if the Port Authority's video surveillance system had been fully operational at the terminal exit lane.

What steps is TSA taking, in conjunction with its local law enforcement and aviation partners, to ensure that surveillance programs are operational and effective at all times?

Answer. Following the security breach at Newark International Airport on January 3, 2010, the Transportation Security Administration (TSA) immediately deployed a team of security experts to visit numerous airports to review breach compliance plans, discuss and observe breach drills, share best practices, review and observe Closed Circuit Television systems (CCTV), and conduct training as required. Additionally, the TSA directed a Nation-wide data call of all airport-owned CCTV systems to ensure proper operational capabilities are maintained.

Question 11. The budget requests approximately 4,000 new personnel for TSA, with the majority of them providing checkpoint support at the Nation's airports, including administering AIT systems.

How do the additional 4,000 positions fit in the checkpoint support model?

By the end of fiscal year 2011, how will the addition of 1,000 new AIT machines affect TSA's workforce overall? What percentage of the TSO workforce do you project will be working on AIT systems in fiscal year 2011?

Answer. The additional 1,000 Advanced Imaging Technology (AIT) machines will require 3,550 more Full-Time Equivalent (FTE), which will be distributed to the receiving airports based on the Transportation Security Administration's Staffing Allocation Model. Also included in the fiscal year 2011 request are 210 FTE for Behavior Detection Officers (BDOs) to enable expansion of the Screening of Passengers by Observation Techniques (SPOT) program at additional airports.

As Transportation Security Officers (TSOs) are cross-utilized for multiple screening functions, the majority of new TSO positions requested in fiscal year 2011 will operate the AIT machines on a rotational basis.

Question 12a. Please provide an update for when TSA will complete the implementation of its Secure Flight passenger pre-flight watch list matching program for all carriers operating domestic flights, and what the schedule is for implementing Secure Flight for foreign and domestic air carriers operating in-bound flights to the United States.

Answer. Secure Flight will ultimately conduct watch list matching for approximately 68 covered domestic airlines and 148 foreign airlines. The Secure Flight program began operational cutover to airlines on January 27, 2009. To date, 41 airlines have successfully cutover to Secure Flight, including four foreign airlines. Eleven airlines are partially cutover. Testing is underway with 29 airlines. Secure Flight is deploying to domestic and foreign airlines in a phased process. Each airline will integrate the capability to submit Secure Flight Passenger Data over the coming months. Secure Flight deployments for domestic airlines began in early 2009. Testing and deployment with foreign airlines began later that year. The anticipated cutover for both domestic and foreign airlines is the end of calendar year 2010.

Question 12b. What type of coordination efforts are occurring between TSA and Customs and Border Protection now, what will those efforts look like with the implementation of Secure Flight?

Answer. The Transportation Security Administration and the U.S. Customs and Border Protection jointly operate the Secure Flight International Capabilities Project. This project, which began in January 2009, identifies and coordinates the capabilities and activities required to align CBP and TSA with respect to policy, process, and technology for handling foreign airlines. To date, this project has been successful in putting in place the policy, process, and technology required for a seamless transition from CBP-performed watch list matching to Secure Flight.

Question 13. Given the delays in issuing regulations, the prolonged grant application processing time, and the relative shortage of expertise in surface transportation modes generally, why is there a decrease in funding requested for TSA for "Surface Transportation Security Operations and Staffing?"

Answer. The development of various regulations directed by the *Implementing Recommendations of the 9/11 Commission Act of 2007* continues to advance and the

Transportation Security Administration (TSA) believes that these are critical regulations that need to be implemented. TSA has streamlined its grants processes to ensure that its responsibilities in this area are completed well in advance of the onset of the grant period of performance. TSA has identified efficiencies to support critical operations in fiscal year 2011. To do this, TSA looked across all of its programs and identified reductions that could be made without degradation to the existing level of service.

Question 14. Throughout the budget request, Coast Guard listed that it is responsible for the inspection of over 48,000 Transportation Worker Identification Credentials but there were no funding requests tied to TWIC inspections. Additionally, the Coast Guard has the lead role in overseeing security for the MTSA facilities.

For fiscal year 2011, what resources are allocated for the Coast Guard to conduct TWIC inspection? Similarly, what resources are allocated for MTSA enforcement?

Answer. Transportation Worker Identification Credential (TWIC) inspections are carried out as part of the Coast Guard's Marine Transportation Security Act of 2002 (MTSA) enforcement program. Funding and personnel associated with MTSA implementation for vessel and facility security in fiscal year 2010 is \$44.7 million and 372 positions. These resources are part of the existing base of Coast Guard resources that support the Ports Waterways and Coastal Security and Marine Safety missions.

Question 15. I understand that recapitalization is a necessary task since many of the Coast Guard's surface and air assets are aging and need to be replaced. To that end, Coast Guard has requested funding for several replacement surface and air assets including the purchase of the fifth National Security Cutter, Fast & Medium Response Cutters, and a Maritime Patrol Aircraft.

How will these new assets affect Coast Guard's ability to carry out its homeland security missions?

Answer. Recapitalizing aging assets is necessary to sustain mission performance. The Coast Guard's effort to replace high and medium endurance cutters (HEC and MEC), patrol boats (WPBs) and medium-range surveillance fixed-wing aircraft at, near, or beyond their service life is an on-going, sustained initiative to provide capable and cost-effective assets for our personnel to execute Coast Guard missions. These assets directly contribute and enhance the Coast Guard's missions (e.g., ports, waterways, and coastal security, drug and migrant interdiction, defense readiness, search and rescue and other law enforcement, etc.). New assets will expand maritime domain awareness, enhance end game capabilities through advanced flight decks and small boats, and improve C4ISR capabilities to enhance interoperability with partner agencies.

Question 16. The 2012 Presidential campaign preparations include a temporary shift of 22 special agents from investigative units to the program in order to support future staffing requirements.

How will the transfer of these agents from the investigative unit to the Candidate Nominee Protection program affect the Service's on-going criminal investigative mission?

Answer. The administration's fiscal year 2011 budget request seeks to reallocate FTE from the Investigations and Field Operations account to the Protection, Administration, and Training account to cover the specialized training requirements in advance of the 2012 Presidential campaign.

While agents assigned to Investigations are routinely used to staff temporary protective details and other protective support functions, the Secret Service will continue to sustain a robust and viable investigative agenda. As in previous campaign periods, the Secret Service will prioritize our investigative initiatives as necessary to efficiently manage the investigative case load during this challenging period. The Secret Service will focus on crimes involving organized criminal groups, large financial losses, and those investigations with significant community impact.

The Secret Service continues to build unique partnerships with other agencies which aid our investigative mission during campaign years. The Secret Service has established a National network of Electronic Crimes Task Forces (ECTF) to leverage the resources of academia; the private sector; and local, State, and Federal law enforcement agencies in an organized effort to combat threats to our financial payment systems and critical infrastructures. The Secret Service currently maintains 29 ECTFs, to include the first international ECTF located in Rome, Italy.

Additionally, the Secret Service has established a network of Financial Crimes Task Forces (FCTF). These FCTFs, located in 38 cities across the United States, combine the resources and manpower of multiple local, State, and Federal law enforcement agencies to combat organized criminal groups.

Through the use of the ECTFs and FCTFs, the Secret Service leverages law enforcement resources from other agencies and departments to sustain on-going inves-

tigations. The task force model allows us to maintain continuity of investigative operations while Secret Service agent personnel are assigned to temporary protective assignments.

To further manage increased investigative demands, the Secret Service, in partnership with the Department of Homeland Security, developed the National Computer Forensics Institute (NCFI) in Hoover, Alabama, a cyber crimes training facility designed to provide State and local law enforcement officers with training, equipment, and expertise in computer forensics and digital evidence analysis. To date, roughly 420 State and local police officers have completed training at the NCFI. These officers are now available to assist with Secret Service investigations as necessary.

The Secret Service has also positioned Criminal Research Specialists (CRS) in major field offices throughout the United States. CRS personnel assist special agents with criminal investigations, but they do not participate in protective duties. Therefore, CRS personnel can further sustain continuity of investigative operations while agents are performing protective duties.

Question 17. Madame Secretary, Congress in the SAFE Port Act authorized \$400 million for port security grants for fiscal year 2011. However, the President's fiscal year 2011 budget only requested \$300 million. Please explain why the Department will only request \$300 million to help localities protect their ports, especially in light of an anticipated reduced U.S. Coast Guard presence at a number of ports?

Answer. Section 112 of the Security and Accountability for Every Port Act of 2006 (SAFE Port Act) amended 46 USC § 70107 and authorizes \$400 million for the Port Security Grant Program (PSGP) for fiscal years 2007 through 2011.

The fiscal year 2011 budget request includes the same amount of funding that was appropriated in fiscal year 2010: \$300 million. In fiscal year 2009, the PSGP received its full authorized amount of funding (\$400 million) and received an additional appropriation of \$150 million through the American Recovery and Reinvestment Act of 2009, providing a total of \$550 million for the program.

Question 18. It has been the committee's longstanding conviction that the Office of Risk Management and Analysis needs to take on a more prominent role within DHS and work in a consistent manner with DHS components on how to establish and follow risk-management protocols.

Please explain why you are seeking a \$152,000 decrease in Risk Management and Analysis' budget for technical assistance to other DHS components?

Answer. The Department of Homeland Security (DHS) is committed to risk management as a means to achieve homeland security. As stated in the *Quadrennial Homeland Security Review*, homeland security is ultimately about effectively managing risks to the Nation's security. The Office of Risk Management and Analysis (RMA), in conjunction with partners from across DHS and the homeland security enterprise—including Federal, State, local, Tribal and territorial government organizations, the private sector, and our international partners—is working to achieve a consistent and integrated approach to risk management that will increase the effectiveness of homeland security risk management. RMA has taken several critical first steps for building and institutionalizing integrated risk management. The office established a risk governance process with the DHS Risk Steering Committee (RSC). The RSC ensures that there is collaboration, information-sharing, and consensus-building across the Department as we identify and integrate best practices for risk management and analysis. In September 2008, the RSC published a *DHS Risk Lexicon* that establishes a common language for discussing risk-related concepts and techniques, and then in January 2009 released an *Interim Integrated Risk Management Framework* that sets the foundation for a common approach to homeland security risk management.

The projected decrement in program funds will not significantly impact RMA's capability to provide technical assistance. In fiscal year 2010, RMA converted program dollars for contract support into salaries and benefits for an additional 13 Federal employees. By establishing an "in-house" technical assistance capability, RMA is able to more effectively and efficiently meet the needs of the Department's components. For example, RMA is currently providing risk management technical assistance to the Office of Policy, the Science and Technology Directorate, the Transportation Security Administration, the U.S. Immigration and Customs Enforcement, and the Federal Emergency Management Agency. In addition, for longer-term projects, RMA has established the business protocols for having DHS components provide the funding to RMA for their specific technical assistance requirement.

Question 19a. As you know, the committee has been very concerned about the cost overruns and development missteps associated with the SBInet program. The budget request goes as far as to defer a funding request for the next fiscal year due to SBInet's delays in deployment.

How is S&T's Testing/Evaluation Division working with SBInet program officials to establish operational testing requirements?

Answer. The S&T Director, Test and Evaluation and Standards, and the S&T Director, Operational Test are the final approval authority for the SBInet TEMP. S&T is also a member of the SBInet Test & Evaluation (T&E) Working Integrated Product Team (WIPT). While the Office of the Border Patrol will serve as the Operational Test Director, S&T is providing oversight and guidance for the test process and procedures and will participate in the actual conduct of the test.

Question 19b. What responsibility does this division have to establish testing requirements for other operational components?

Answer. Paragraph (12) of Section 302 of the Homeland Security Act of 2002 charges the Secretary, acting through the Under Secretary for S&T with the responsibility for "coordinating and integrating all research, development, demonstration, testing, and evaluation activities of the Department." To carry out these and other test and evaluation (T&E) related legislative mandates, S&T established the Test and Evaluation and Standards Division (TSD) in 2006 and created the position of Director of Operational Test & Evaluation in 2008.

To fulfill its mission, TSD develops and implements robust Department-wide T&E policies and procedures. Working with the DHS Under Secretary for Management, TSD approves Test and Evaluation Master Plans (TEMP) that describe the necessary Developmental Test and Evaluation (DT&E) and Operational Test and Evaluation (OT&E) tasks that must be conducted in order to determine system technical performance and operational effectiveness based upon vetted Operational Requirements Documents. In addition, the Director of OT&E approves the operational test plan for oversight programs, to ensure adequacy of the T&E activity in support of Acquisition Decision Event 3 program reviews.

Question 20. The President's fiscal year 2011 budget request calls for a nearly 20 percent cut in the University Programs portfolio. This is the largest single cut to the S&T budget. Even in this tight fiscal climate, the Domestic Nuclear Detection Office and other agencies throughout the Government have found a way to continue supporting science research. Yet, S&T plans to eviscerate the Centers of Excellence, Minority Serving Institutions Program, and University Scholars—programs that enjoy strong Congressional support. What is the reason for the decrease?

Answer. There were many competing priorities facing the Department as the fiscal year 2011 budget was being built. Many hard decisions and trade-offs had to be made in order to provide funding for the highest priority needs across a vast and diverse mission space. The Department still feels that the long-term development of basic research capabilities is the future of DHS and is supportive of the Science and Technology Directorate's University Programs. The Department maintained University Programs at the level possible, but delivery of near-term operational technologies was a higher priority.

The reduction to the University Programs budget, specifically Minority Serving Institutions and Educational Programs, will not impact any students who have already been awarded scholarships or fellowships. All scholarships and fellowships are fully funded for the length of the award when the candidate is selected.

Question 21. The committee has repeatedly voiced concerns with the large number of inaccuracies that have been discovered within the E-Verify program.

Question 21a. How is DHS working to improve the accuracy of the data contained in the system in order to provide timely verifications?

Question 21b. What resources do you need in fiscal year 2011 to improve the program?

Answer. The 2009 Westat report of the E-Verify program used a model to estimate the program's total accuracy rate for the first time, finding that 96 percent of all E-Verify initial responses was consistent with the person's work authorization status, and finding the remaining 4 percent of queries was inconsistent with an individual's work authorization status, which the study found was primarily due to identity fraud. The report evaluated the program covering the time period of September 2007 to June 2008 and provided recommendations for system improvements.

USCIS has already implemented or is planning to implement over two-thirds of the primary recommendations that relate to program improvements. Several of the remaining recommendations are aimed at informing future policy-making and require legislative changes. The recommendations that we have addressed since June 2008 are part of our work to continuously improve E-Verify. USCIS has several initiatives planned that will continue to improve E-Verify accuracy by expanding the Photo Tool, enhancing monitoring and compliance activities, improving data matching and providing an avenue for employees to check themselves in E-Verify prior to employment to combat employment-related discrimination. These initiatives include:

- Expanding the E-Verify Photo Tool by September 2010 by adding Department of State U.S. passport photos to the E-Verify system. Adding U.S. passport photos would assist employers in authenticating the validity of a U.S. passport presented by an employee during the Form I-9 process. Currently, the Photo Tool only checks against DHS-issued documents (any permanent resident card or employment authorization document presented by the employee).
- Exploring the feasibility of adding driver's license data to E-Verify. E-Verify is examining the possibility of a pilot program with one State. If deployed, E-Verify will match presented driver's license data with the data on record with the issuing State, thereby reducing the possibility of fraudulent driver's licenses being used to gain employment authorization.
- Expanding current monitoring and compliance efforts by revising existing algorithms to better detect misuse and identity fraud in the system, as well as expanding the number of employer behaviors monitored to better detect employer misuse, abuse, and discrimination.
- Developing a Fraud Alert tool which will further identify Social Security Numbers potentially used fraudulently in E-Verify and lock them to prevent further use.
- Working to deploy E-Verify Self Check, which will allow individuals to verify the accuracy of their Government records outside of the employment process. Self Check will allow workers to update their records before being hired while protecting the privacy and security of personal information and ensuring the system is not used to pre-screen applicants or discriminate in the hiring process. We anticipate Self Check will result in fewer adverse actions against authorized workers.
- Improving helper text to decrease typos and strengthening data-matching algorithms.

The fiscal year 2011 budget request for E-Verify is \$103.4 million. In addition, the fiscal year 2010 appropriation included \$30 million of 2-year funding for E-Verify. Of the \$30 million, USCIS expects to carry over approximately \$15 million into fiscal year 2011. The 2-year funding was specified by the Congress for continued improvement of the E-Verify system including:

- an identity assurance tool, which will be deployed with the Self Check feature and expanded at later phases to include users of the system;
- additional capacity to investigate fraudulent use of the system, which is reflected in the expansion of our monitoring and compliance program; and
- development of a Self Check tool to allow authorized workers to validate the accuracy of their records on file with Federal Government agencies.

Question 22. Various outbreaks—including H1N1—have tested the ability of the National Biosurveillance Integration Center to obtain and integrate biosurveillance data from throughout the Government. To date, NBIC has struggled to stand up operations. Secretary Napolitano, having just gone through the H1N1 crisis, can you speak to the value of the NBIC and its future given the meager budget request—just \$7 million for fiscal year 2011?

Answer. The \$7 million requested in fiscal year 2011 to support NBIC is sufficient to maintain current operations. Funding will support development of analytical biological surveillance and impact reports—similar to the reports completed during the 2009–H1N1 pandemic. These reports are collaboratively developed among interagency partners and will be made available for interagency use.

The \$1 million reduction from fiscal year 2010 funding reduces the amount available to reimburse detailees or liaison officers from partner agencies to serve at NBIC to provide analytic and collaborative capabilities. The reduction in funding could affect up to six detailees depending on grade. While the lack of reimbursements may be interpreted as a disincentive to interagency participation in NBIC, as highlighted in the Government Accountability Office's report, "Biosurveillance: Developing a Collaboration Strategy is Essential to Fostering Interagency Data and Resource Sharing," Federal agencies are not actively participating in NBIC. To foster collaboration and information sharing between agencies, we must reevaluate NBIC's structure to ensure its mission is transparent and participating agencies understand its value-add during biological incidents.

To further information flow into NBIC and strengthen collaboration with State and local partners, the DHS Office of Health Affairs (OHA) is working to enhance partnerships with specific States, the private sector, non-governmental agencies, and the international community. Beginning with the \$5 million provided to NBIC in fiscal year 2010 to support a demonstration project with the North Carolina Collaboratory for Bio-Preparedness, we aim to validate integrated information sharing of public health, animal surveillance information, environmental monitoring,

and other biosurveillance information. We continue to work with our Federal partners.

In addition to North Carolina, NBIC is engaging with other States to establish biosurveillance data-sharing pilot outreach programs. These States include: New Jersey—a State with a very mature DHS-State fusion center relationship and a robust information sharing tool; Minnesota—a State nationally known for their superior food defense capabilities through information analysis; and, Washington State—a State that has demonstrated advanced capability to integrate critical infrastructure analysis into decision-making schemes. As we work with State and local partners and follow GAO's recommendations, we hope to demonstrate the value of situational awareness to respond to biological incidents.

Question 23. For the 476 new BioWatch detectors that OHA seeks to purchase with the increase requested in the fiscal year 2011 budget, will any or all be deployed to any new locations or will they all be used to replace and add to existing BioWatch detection systems in the 29 host cities where BioWatch systems are currently located?

Answer. DHS agrees that the BioWatch program is a much-needed system that provides early detection of a biological attack and the Department remains focused on supporting this program. In fiscal year 2011, \$173.5 million is requested to support the BioWatch program. Approximately \$84 million will be used to procure and potentially deploy units for a four-city operational field test of the Generation-3 system. The four-city operational testing will include inserting Generation-3 detectors alongside existing Generation-1 and Generation-2 detectors in each of the four areas. The specific locations within each jurisdiction will include existing sites, and will consider new locations to improve the networks (i.e., additional sites both indoors and outdoors.)

The Generation-3 program consists of a multi-year deployment strategy over a 4-year period. The Generation-3 revised baseline schedule is reflected by the major milestones below:

- Field Test Program Contract Award (Phase I)—November 12, 2009;
- Field Test Program Task Order 1 Award—February 2, 2010;
- Field Test Program Task Order 2 Award—3rd Quarter fiscal year 2010;
- Completion of Field Testing—2nd Quarter fiscal year 2011;
- Technology Readiness Review—2nd Quarter fiscal year 2011;
- Phase II Contract Award for Low Rate Initial Production (LRIP) and Operational Test & Evaluation (OT&E)—4th Quarter fiscal year 2011 or 1st Quarter fiscal year 2012;
- Conduct OT&E: Start—4th Quarter fiscal year 2012, Finish—3rd Quarter fiscal year 2013;
- Initial Operational Capability (IOC)—3rd Quarter fiscal year 2013;
- Deployment of Gen-3 detectors Nation-wide, fiscal year 2013–fiscal year 2016;
- Completed network fiscal year 2017.

QUESTION SUBMITTED BY HONORABLE HENRY CUELLAR OF TEXAS FOR JANET NAPOLITANO, SECRETARY, DEPARTMENT OF HOMELAND SECURITY

Question 1a. Since its implementation in 1997, the Foreign Language Awards Program (FLAP) has been instrumental in identifying and utilizing Customs and Border Protection (CBP) employees who are proficient in a foreign language, a skill especially important in their role of dealing directly with foreign travelers and trade. Under the program, which incorporates more than two dozen languages, CBP Officers and Agriculture Specialists who qualify after language proficiency testing can earn awards of between 1 and 5 percent of their pay if they use a language other than English for more than 10 percent of the time during their daily duties. Thousands of frontline CBP employees use their language skills in this way every day.

CBP employees' foreign language skills enhance the agency's important homeland security and trade-related missions. Rewarding employees for using their language skills to protect our country, facilitate the lawful movement of people and cargo across our borders, and collect revenue that our Government needs makes sense. Congress agreed that employees should be encouraged to develop their language skills by authoring FLAP. Not only does it improve efficiency of operations, it makes the United States a more welcoming place when foreign travelers find CBP Officers can communicate in their language.

At CBP, this program has been an unqualified success, and not just for employees but for the travelers who are aided by having someone at a port of entry who speaks their language, for the smooth functioning of the agency's security mission. For these reasons I am quite concerned that the fiscal year 2011 DHS budget proposed to eliminate this Congressionally-authorized program, and was further surprised to

learn that, on February 4, 2010, CBP notified its employees that it was immediately suspending this program citing lack of fiscal year 2010 funding.

Why was this program immediately suspended?

What budget planning went into this decision to immediately suspend and eliminate FLAP at CBP?

Question 1b. How will the suspension of this program impact recruitment and retention of employees who are proficient in a foreign language?

Answer. CBP Officers and Agriculture Specialists hired since June 2004 and initially assigned to the Southern border, Puerto Rico, and Miami have a minimum Spanish proficiency requirement as a condition of employment. Officers and Agriculture Specialists lacking sufficient proficiency in Spanish receive five additional weeks of language training. Notwithstanding the suspension of the FLAP, managers will continue to encourage all employees to utilize their enhanced foreign language proficiency to accomplish the agency's mission. Managers also have the option to use other traditional awards (e.g., "on the spot" and "time-off") to recognize employees who utilize their superior foreign language proficiencies and significantly contribute to the accomplishment of the mission.

CBP believes there will be a minor impact on the agency's ability to retain employees. FLAP was originally implemented as an incentive for CBP Officers and Agriculture Specialists to learn foreign languages to complement duties at the ports of entry. However, since the initiation of FLAP there have been some changes to benefits available to CBP Officers and Agriculture Specialists:

- These personnel now receive enhanced retirement benefits similar to other law enforcement officers; and
- Journeyman-level increases are being pursued to address the heightened responsibility due to the increased scope and complexity of these core positions since 9/11.

Question 1c. FLAP has a dedicated funding source—customs user fees collected from the traveling public and the trade community. How will customs user fees that formerly funded FLAP now be distributed?

For what programs will these user fees be used? And is this customs user fee diversion supported by statute?

Answer. Currently, FLAP awards are funded through customs, immigration, and agriculture user fees. Due to a substantial reduction of airline travel and commercial conveyances entering the United States in recent years, there has been a substantial decline in fee revenues. The customs user fee currently supports approximately \$10.2 million of the FLAP program. This funding will be redirected towards other requirements that are eligible under the fee legislation. The savings in customs user fees from the FLAP reduction will allow CBP to more fully fund overtime and premium pay.

QUESTIONS SUBMITTED BY HONORABLE CHRISTOPHER P. CARNEY OF PENNSYLVANIA
FOR JANET NAPOLITANO, SECRETARY, DEPARTMENT OF HOMELAND SECURITY

Question 1. Madame Secretary, in 2008, the TSA issued a notice of proposed rulemaking for the Large Aircraft Security Program (LASP) which would create a set of security standards for large general aviation aircraft. My understanding is that the initial proposed rule did not address security and operational issues sufficiently and is now being revised with appropriate technical input from stakeholders. I know that you've testified before about this issue and have expressed your desire to work with stakeholders to get this and other rules completed cooperatively.

Since it decided to revise the LASP, the TSA has taken this approach and is now nearing completion on a supplemental rulemaking. However, I understand that the agency missed a self-imposed deadline to get this rulemaking out before the end of last year and that it does not expect to issue it until later this year. Although I understand that the TSA still does not have an administrator, I worry that this rule is being delayed too long.

When do you expect to issue the supplemental rulemaking for the LASP?

Does the Department have adequate resources to complete this rule?

Answer. The Transportation Security Administration's (TSA) is currently developing a Supplemental Notice of Proposed Rulemaking (SNPRM) for the Large Aircraft Security Program, taking into consideration more than 7,000 public comments received from the original Notice of Proposed Rulemaking and input from the use of open public forums, workshops, and stakeholder meetings. TSA expects to issue the SNPRM later this calendar year.

Question 2. When will the Department start work on the next QHSR?

When do you expect to request funding to begin the work on the next QHSR?

Answer. Focused efforts on the next QHSR, due to Congress on December 31, 2013, are anticipated to begin sometime in early 2012. The Department is currently focused on completing the Bottom-Up Review (BUR), which was initiated shortly before the completion of the 2009 QHSR and will inform the development of the fiscal year 2012–2016 budgets. Departmental initiatives and analytic efforts that flow from the BUR and budget build, as well as development of the next DHS Strategic Plan, will be principal focus areas through calendar year 2011; all of which are necessary antecedents to the next QHSR.

The Department will request funding for the next QHSR as part of the fiscal year 2012–2016 budget request.

QUESTIONS SUBMITTED BY HONORABLE LAURA RICHARDSON OF CALIFORNIA FOR
JANET NAPOLITANO, SECRETARY, DEPARTMENT OF HOMELAND SECURITY

Question 1. A number of steel pipe and tube producers are located in the Los Angeles Metropolitan Area, including Western Tube & Conduit located in Long Beach in the 37th Congressional District. Western Tube along with others in the domestic industry have joined together and filed cases on imports of circular welded steel pipe and light walled rectangular tubing from China. The industry obtained relief from these unfairly traded imports in 2008 and antidumping and countervailing duties were put into place ranging from 100 percent to 300 percent.

In mid-2009, industry officials began to monitor imports of light-walled rectangular (LWR) tubing into the West Coast sea ports of Long Beach and Los Angeles. Their research uncovered anomalies with many shipments of LWR products that indicated that some of these entries were being misclassified as another product, i.e. “used books” or violating country of origin rules by having incorrect labeling. In some instances the industry tracked the shipping records and noted that while the product may have been listed as made in Vietnam the contents of the shipment never originated from that country, but instead came from China. The domestic industry documented this information beginning in September 2009 and presented the data to officials at Customs Headquarters in Washington, DC.

In an effort to elevate this issue of customs fraud and circumvention the industry obtained support from members of the California delegation and a letter was sent in late December 2009 by Representative Richardson and Representatives Farr, Napolitano, Roybal-Allard and Rohrabacher to Customs. The Acting Deputy Commissioner for Customs provided a response to Members in mid-January 2010 and indicated that the agency was reviewing the information.

Secretary Napolitano, over the past 5 months I have been working with officials at steel pipe and tube companies located in my district and others located nearby on issues related to circumvention of duties specifically of entries arriving at the Long Beach and Los Angeles seaports. The industry has taken great steps to provide my office with documentation of entries of steel tubing entering at these ports without correct classification. This has resulted in a loss of collection of duties on these imports from China which were found to be traded unfairly in 2008. The duties range from 100 percent to 300 percent and were put into place to provide relief for the industry. As each day passes, the industry who makes these products in the region and who employs approximately 2,000 workers in the area are losing the opportunity to compete in their own market because these unfairly traded imports are entering duty-free.

I believe that the Department should communicate throughout the agency that commercial enforcement is critical to the economic security of the company. I also believe that it is equally important that the Secretary send a strong message to everyone in the agency and especially to those at Customs that any type of fraud will not be tolerated and if anomalies are reported that the agency take swift and appropriate actions to ensure that these practices end. What can we do to ensure that this issue is resolved as quickly as possible to help protect the companies and jobs in my district and around the country?

Answer. CBP is aware that U.S. industry is highly concerned with the evasion of Antidumping/Countervailing Duties (AD/CVD) that includes not only steel tubing but all products, and how this evasion erodes the ability for U.S. industry to successfully compete. Please know that CBP takes all matters of evasion of duty very seriously, and in coordination with ICE, the investigative arm of DHS, employs every available method in accordance with law to address these matters.

CBP is not permitted to disclose the details of an on-going investigation and or trade enforcement action (including CBP fines, penalties, or forfeitures cases) or any significant action taken by CBP to enforce the customs and related laws—including but not limited to seizures, exclusions, or collection of duty. If the investigation or action results in judicial action, the conclusion of a commercial allegation can and

often does take years for completion. The effect of this lengthy process is the assumption by U.S. industry that AD/CVD cases are not being actively enforced.

CBP is currently monitoring 288 AD/CVD cases under order and 12 AD/CVD cases in preliminary status that have been issued by the Department of Commerce (DOC). The number of AD/CVD cases that enter the preliminary stage of investigation continues to increase. In many of these cases, CBP has encountered various types of circumvention schemes such as the misuse of entry type, misdescription or misclassification, false country of origin, smuggling, and transshipment.

To direct an effective trade facilitation and enforcement approach, CBP focuses its actions and resources around priority trade issues (PTIs) that pose a significant risk to the U.S. economy, consumers, and stakeholders, such as AD/CVD. CBP's Office of International Trade (OT) is responsible for the trade policy, program development, and regulatory oversight functions of CBP.

Within OT, the Commercial Targeting and Enforcement Division is charged with the development of operational plans to address non-compliance; manage targeting criteria; develop audit and other post-entry verification actions; and develop penalty and enforcement procedures for all of the PTIs. This is done through a series of offices located around the country, staffed by subject matter experts. These offices are designated as National Targeting and Analysis Groups (NTAGs).

The sole focus of the South Florida NTAG in Plantation, Florida is AD/CVD enforcement. The South Florida NTAG is responsible for monitoring and analyzing all newly instituted AD/CVD cases and establishing criteria to ascertain whether applicable entries are being entered as AD/CVD entries (type 03). The research conducted involves analyzing the use of entry type codes and changes in import patterns, importers, manufacturers, and changes in price/quantity.

On a local level, Import Specialists monitor their PTI areas and/or commodity, and initiate trade enforcement actions. Those actions are recorded in CBP systems and available at a National level for other Import Specialist and NTAGs for review. NTAGs will review those results and determine if National and/or further action is necessary.

CBP Service Ports are equipped with Commercial Enforcement Analysis and Response (CEAR) Teams, comprised of subject matter experts from local CBP and ICE commercial fraud enforcement operations. With the combined expertise of the CEAR members, the group identifies viable enforcement actions to take on violations presented to the group, which may include the initiation of an investigation by ICE, a penalty imposed by CBP, or a combination of both criminal and civil actions.

CBP has been successful in many instances in stopping evasion that we have detected or when U.S. industry provides us with an allegation of evasion. With every success, however, there are likely evasion schemes that go undetected. ICE can only investigate so many importers, and many cases cannot be proven, especially with transshipment issues. Several nations do not allow CBP or ICE teams to investigate in their respective countries. Additionally, some importers are foreign entities and cannot be thoroughly investigated and pursued in the United States as to their duty liability, and CBP is left with only the bond amount for duty collection.

We understand that there is a monetary gain in not paying the AD/CV duty on these subject products, and that certain foreign manufactures and U.S. importers will attempt to circumvent AD/CVD cases. As such, CBP will continue to target importers and manufactures for potential evasion of AD/CVD cases and use all available means to enforce the cases.

Question 2a. Madame Secretary, in 2008, the TSA issued a Notice of Proposed Rulemaking for the Large Aircraft Security Program (LASP) which would create a set of security standards for large general aviation aircraft. My understanding is that the initial proposed rule did not address security and operational issues sufficiently and is now being revised with appropriate technical input from stakeholders. I know that you've testified before about this issue and have expressed your desire to work with stakeholders to get this and other rules completed cooperatively. In my opinion, this is the best way to approach the rule-making process because it ensures that policy-makers have developed rules utilizing needed security and technical expertise from the industry.

Since it decided to revise the LASP, the TSA has taken this approach and is now nearing completion on a supplemental rulemaking. However, I understand that the agency missed a self-imposed deadline to get this rulemaking out before the end of last year and that it does not expect to issue it until later this year. Although I understand that the TSA still does not have an administrator, I worry that this rule is being delayed too long.

When do you expect to issue the supplemental rulemaking for the LASP?

Question 2b. Does the Department have adequate resources to complete this rule?

Question 2c. Do you plan to make it a priority of yours to see that the LASP rule is completed as soon as possible?

Answer. The Transportation Security Administration (TSA) views strengthening general aviation security as one of its top priorities. The TSA is currently developing a Supplemental Notice of Proposed Rulemaking (SNPRM) for the Large Aircraft Security Program, taking into consideration more than 7,000 public comments received from the original Notice of Proposed Rulemaking and input from the use of open public forums, workshops, and stakeholder meetings. TSA expects to issue the SNPRM later this calendar year.

QUESTIONS SUBMITTED BY HONORABLE BILL L. OWENS OF NEW YORK FOR JANET NAPOLITANO, SECRETARY, DEPARTMENT OF HOMELAND SECURITY

Question 1a. I am pleased to see that ICE's budget request includes the establishment of a Border Enforcement Security Task Forces (BEST), including one in Massena, New York.

What kind of results can the community expect to see from a BEST?

Answer. Establishing a BEST in Massena will allow ICE and its law enforcement partners in the region to efficiently focus on investigating cross-border criminal activity related to contraband smuggling, human smuggling, money laundering, weapons trafficking, and its associated violence on the Akwesasne Mohawk Indian Reservation. Since 2005, the BESTs have been extremely successful in addressing the threats of cross-border crime. The BESTs are flexible platforms from which the Department of Homeland Security (DHS) investigates and targets transnational criminal organizations and emerging threats that exploit vulnerabilities along the Nation's borders. The Massena BEST, through its partnership with local, county, State, Tribal, Federal, and international partners in the region, will address transnational criminal organizations operating and living in the shared communities of New York State and the Canadian provinces of Ontario and Quebec. In addition, the Massena BEST will complement and enhance already established BESTs in Detroit and Buffalo to effectively target and dismantle major criminal organizations based in the greater Toronto area that use smuggling routes through all three locations.

Question 1b. What other steps is DHS taking to improve the security of tribal lands along our borders?

Answer. ICE is addressing the security of tribal lands along our borders primarily through the Shadow Wolves. The Shadow Wolves are Native American trackers that patrol the Tohono O'odham Indian Nation, a 2.8 million-acre reservation in Arizona with a 75-mile-long border with Mexico. The Shadow Wolves were established by Congressional mandate in the early 1970s in response to the rampant smuggling occurring through the Tohono O'odham Indian Nation. The Shadow Wolves' primary mission is to interdict smuggled narcotics using both modern technology and the ancient art of tracking.

In fiscal year 2007, several Shadow Wolves were detailed to the Blackfeet Indian Reservation (Montana) and the Bay Mills Chippewa Indian Reservation (Michigan) to assess the viability of establishing similar units along the Northern border. Although the details did not produce any enforcement results, they were successful in creating points of contact and opening dialogue between the Tribal governments and the local ICE Resident Agent in Charge offices. The Shadow Wolves details were coordinated with Customs and Border Protection (CBP), Office of Field Operations (OFO) and Office of Border Patrol, along with Tribal and local law enforcement agencies.

DHS is also addressing the security of our Tribal lands along the border through its Southwest border efforts. Personnel from ICE's Office of Investigation (OI), Detention and Removal Operations (DRO), and Office of Intelligence (INTEL) as well as myriad Federal, State, and local law enforcement agencies are currently partnering in BEST and the Southwest border surge; efforts that will improve security along the Southwest border. ICE has also increased participation with government of Mexico agencies to assist in providing additional security to border communities at large. Furthermore, other DHS initiatives undertaken by CBP, particularly OBP, will also impact the security of these communities.

Question 2. Northern border communities have historically benefitted from Operation Stonegarden, a program that provides grants to local law enforcement on the border to increase their operation readiness. Northern border States have always been eligible for these grants and received funding in fiscal year 2008 and fiscal year 2009. Yet the President's budget request for fiscal year 2011, which includes \$50 million for Operation Stonegarden, proposes limiting eligibility to the Southern border only. What is the rationale for excluding Northern border communities from applying for this funding?

Answer. The fiscal year 2011 request for Stonegarden is only for the SW border because of DHS concern about the continuing threats on this border.

Question 3. I would like to know if the Department of Homeland Security has considered streamlining the Trusted Traveler Program so that participants can use a single card at international points of entry along the U.S.-Canadian border. Further, has TSA considered creating dedicated security screening lanes at airports for participants in one of CBP's Trusted Traveler Programs?

Answer. The Department of Homeland Security's (DHS) U.S. Customs and Border Protection (CBP) operates four Trusted Traveler Programs: NEXUS, Free and Secure Trade (FAST), Secure Electronic Network for Travelers Rapid Inspection (SENTRI), and Global Entry. There are over 730,000 approved, low-risk travelers enrolled in these programs, which offer secure and expedited immigration, customs, and agriculture processing on arrival into the United States.

Over the last 2 years, CBP has taken steps to streamline all of its Trusted Traveler Programs so that they are easily accessible and convenient for international travelers. For example, all of the Trusted Traveler Programs are served by a single on-line application system called the Global Online Enrollment System (GOES). The integration of all the programs into a single database and on-line application is key part of a unified trusted traveler program.

Whereas Global Entry does not have a separate credential, CBP redesigned the credentials for NEXUS, SENTRI, and FAST to make them more secure and have the same look and feel. All three credentials comply with requirements of the Western Hemisphere Travel Initiative (WHTI); members holding a credential receive facilitated processing when entering at the land border through trusted traveler dedicated lanes but can be used by U.S. and Canadian citizens to enter the United States through any lane at any land or sea port of entry. NEXUS, SENTRI, and FAST cards can be verified at the border electronically through CBP's databases. All three documents are accepted by the Transportation Security Administration as identity documents for the purposes of entering the sterile area of an airport.

Although virtually harmonized, it is unlikely that CBP will change the names of the respective programs due to bi-national agreements and brand recognition. The NEXUS program is jointly managed by the United States and Canadian governments. NEXUS allows entry from Canada into the United States at land, and designated air, and small boat arrival locations. SENTRI is managed solely by the United States.

Global Entry is a CBP Trusted Traveler pilot program that provides expedited clearance of pre-approved, low-risk air travelers into the United States. Global Entry allows approved members to use an automated kiosk at designated airports to bypass the regular CBP Passport Control queues so that customs, agriculture, and immigration processing is expedited. Membership is currently limited to U.S. citizens, U.S. nationals, and U.S. lawful permanent residents, as well as to citizens of the Netherlands via a joint arrangement. Unlike the other programs, Global Entry does not require the use of a separate credential; the traveler presents his or her passport or lawful permanent resident card, which is linked to Global Entry membership.

TSA piloted the Registered Traveler program, which provided a service similar to your proposal to dedicate security screening lanes at U.S. airports for members of CBP's Trusted Traveler Programs. At the conclusion of the pilot, Registered Traveler transitioned to a private sector-run, market-driven program. Three Registered Traveler vendors provided operations at participating airports, but have since ceased operations due to financial reasons. TSA has encouraged interested vendors to work directly with airports and air carriers if they wish to develop similar Registered Traveler programs. DHS will evaluate future private sector proposals to include consideration of possible benefits to members of CBP's Trusted Traveler Programs.

QUESTIONS SUBMITTED BY HONORABLE BILL PASCRELL, JR. OF NEW JERSEY FOR
JANET NAPOLITANO, SECRETARY, DEPARTMENT OF HOMELAND SECURITY

Question 1. I was extremely surprised to see that the budget called for four stand-alone grants programs to just be folded into the larger State Homeland Security Grant Program. This includes the Interoperable Emergency Communications Grants that Mr. Reichert and I worked to create in the 109th Congress in order to support our first responders in the wake of the lessons we learned on 9/11. If these critical grant programs are folded in we have no way to track their funding from year to year—to me this looks like a way to do a back-door cut of these programs. Will the Department commit to the committee that if these grant programs remain folded into the State Homeland Security grants that in next year's budget you will ensure

that there is a breakdown of how much funding went directly for these priorities including interoperability grants? Without that information this committee is blind to understanding if key priorities are being properly addressed.

Answer. FEMA's Grants Reporting Tool (GRT) is built to track both sub-program spending as well as National priority data. As such, if the Interoperable Emergency Communications Grant Program (IECGP) is consolidated as a stand-alone program into the larger State Homeland Security Program (SHSP), the GRT would be configured to capture the IECGP spending data independently. The GRT would also continue to be configured to track overall National spending activities relative to interoperable communications; this data would be construed across a plethora of grant programs for which interoperable communications is an allowable spending area, including IECGP. If the IECGP is subsumed into the overall State Homeland Security Program (i.e. it would not continue to be stood up as a separate grant program, even if consolidated into SHSP), the GRT would still be configured to track spending activities—including planning, training, exercises, equipment, and personnel—relative to the Interoperable Communications National priority.

Question 2. In recent years we've seen CBP try to focus its limited resources by creating new programs that grant significant benefits to companies that can demonstrate strong internal controls. An example of this is the Importer Self-Assessment Program. This permits importers to self-assess their customs compliance to avoid official CBP audits and reduce the threat of delays for Government inspections. The new Broker Self-Assessment pilot program follows a similar model, and allows customs brokers to police themselves if they agree to follow approved security plans. These programs are designed, in large part, to help alleviate CBP's audit burden and facilitate trade in a speedier fashion. Of concern, however, is the lack of a specified standard for measuring HS classification accuracy.

After all, how effective is it to have participants in such programs audit themselves without any CBP-provided objective standards for measurement?

Do you believe that such programs would have greater success if CBP established objective, standardized controls for measuring HS classification accuracy?

Answer. The annual compliance measurement of the Importer Self-Assessment participants has been 99.5 percent overall and slightly over 99 percent in classification (major transactional discrepancies) over the last 4 years. CBP will explore ways to enhance the self-testing conducted by participants, which may include establishing measurement standards for particular risk areas.

Honing measurements and standards can be effective in sustaining and possibly surpassing the overall compliance goals of the ISA program, which would include HS classification accuracy.

Question 3. According to CBP, commodity reporting errors contribute significantly to the estimated \$1 billion in duty revenue losses to the U.S. Treasury per year. What's more, substandard commodity reporting plays a significant negative role in Customs targeting efforts. Presumably, CBP is trying to address these shortcomings through the Importer Security Filing (also known as "10+2"). However, 10+2 remains critically dependent on timely and accurate commodity classification, and there has been no evidence to suggest that commodity classification accuracy has improved.

What are some of the major reasons why classification errors are so pronounced?

What will you do to help remedy the problem?

Answer. CBP uses an annual statistical audit to measure revenue loss due to non-compliance. Our measurements of this revenue loss over the last 5 years have declined from \$470 million in fiscal year 2005 to \$285 million dollars in fiscal year 2009. As a percentage of all duties, fees, and taxes that CBP does collect, these statistical estimates represent about 1 percent on average of the roughly \$30 billion that the agency collects within a given year. Misclassification of goods is a primary cause of this revenue loss, mainly because the complexity of the tariff allows for even the most common of mistakes to cause a wide percentage shift in the rate of duty applied to imported goods.

However, classification is an area that we directly address through targeting, operations, and other enforcement activities. These activities provide a benefit in both reinforcing compliant behavior from importers 99 percent of the time as the statistical audits show, while allowing the agency to focus on the 1 percent of revenue that is not paid to the agency when duties are due.

Regarding the Importer Security Filing (ISF), the law requiring importers to supply this information strictly prohibits CBP from using it for purposes other than ensuring cargo safety and security and preventing smuggling. As a recent source of data layered on top of existing ones, CBP cannot use it to address revenue issues. However, this does not impact the other existing and well-used data sources available to the agency for cargo and post-release trade enforcement, and CBP remains com-

mitted to measuring, targeting, and applying risk management principles to revenue loss related to non-compliance and fraud.

QUESTIONS SUBMITTED BY HONORABLE DANIEL E. LUNGREN OF CALIFORNIA FOR JANET NAPOLITANO, SECRETARY, DEPARTMENT OF HOMELAND SECURITY

Question 1a. The request for the chemical and biological program at the Science and Technology Directorate is slightly decreased from fiscal year 2010 levels. The Congressional justification states that the decrease reflects the “funding of higher priority items within the Department.” It also states that as a result of the decrease, subject matter expertise and support for the NBIC will be reduced.

Is it fair to assume, therefore, that the NBIC is not a terribly high priority for the Department, at least not until its fate is determined, and that Congress will continue to see budget requests for this program decrease?

What is the plan for the NBIC? Are we wasting time and money by continuing an endeavor that is not achieving its goals, or do those goals need to be redefined? In what way will the Department engage the Congress in its discussions surrounding the future of NBIC?

Answer. The \$7 million requested in fiscal year 2011 to support NBIC is sufficient to maintain current operations. Funding will support development of analytical biological surveillance and impact reports—similar to the reports completed during the 2009–H1N1 pandemic. These reports are collaboratively developed among interagency partners and will be made available for interagency use.

The \$1 million reduction from fiscal year 2010 funding reduces the amount available to reimburse detailees or liaison officers from partner agencies to serve at NBIC to provide analytic and collaborative capabilities. The reduction in funding could affect up to six detailees depending on grade. While the lack of reimbursements may be interpreted as a disincentive to interagency participation in NBIC, as highlighted in the Government Accountability Office’s report, “Biosurveillance: Developing a Collaboration Strategy is Essential to Fostering Interagency Data and Resource Sharing,” Federal agencies are not actively participating in NBIC. To foster collaboration and information sharing between agencies, we must reevaluate NBIC’s structure to ensure its mission is transparent and participating agencies understand its value add during biological incidents.

To further information flow into NBIC and strengthen collaboration with State and local partners, the DHS Office of Health Affairs (OHA) is working to enhance partnerships with specific States, the private sector, non-governmental agencies, and the international community. Beginning with the \$5 million provided to NBIC in fiscal year 2010 to support a demonstration project with the North Carolina Collaboratory for Bio-Preparedness, we aim to validate integrated information sharing of public health, animal surveillance information, environmental monitoring, and other biosurveillance information. We continue to work with our Federal partners.

In addition to North Carolina, NBIC is engaging with other States to establish biosurveillance data-sharing pilot outreach programs. These States include: New Jersey—a State with a very mature DHS-State fusion center relationship and a robust information-sharing tool; Minnesota—a State nationally known for their superior food defense capabilities through information analysis; and, Washington State—a State that has demonstrated advanced capability to integrate critical infrastructure analysis into decision-making schemes. As we work with State and local partners and follow GAO’s recommendations, we hope to demonstrate the value of situational awareness to respond to biological incidents.

DHS has and will continue to make every effort to engage interagency participants as well as promote outreach and data sharing with appropriate State, local, Tribal, and territorial agencies. NBIC and the biosurveillance Federal agency participants are now engaged in a formal review of the biosurveillance mission-space, interagency value of data-sharing and data integration, methodology to enhance collaboration and the development of metrics to monitor and evaluate mission success.

As we work to refine NBIC by engaging State, local, Tribal, and territorial partners, we will update Congress on the status of NBIC and associated challenges that arise.

Question 2. Some have argued that despite improvements in the interagency process and the issuance of several important reports and other strategy-type documents, the Nation does not have a truly National biodefense strategy. And that, more specifically, DHS does not have its own Department-wide biodefense strategy. When can we expect a biodefense strategy and implementation plan from DHS?

Answer. The recent Institute of Medicine (IOM) report on BioWatch and Public Health Surveillance recommended that “DHS enhance efforts to develop a mecha-

nism for providing a national situational awareness of biological threats and significant disease outbreaks, to better inform rapid decision-making and response through cross-jurisdictional data sharing and analysis of data.” OHA takes this report seriously and sees great value in the Commission’s work. The Obama administration has taken steps to enhance the Nation’s capabilities. After this Report was published, Assistant Secretary Dr. Garza met with the Executive Director of the WMD Commission to discuss OHA’s related efforts and to build a relationship that will allow DHS to use the report card as a catalyst for continuing to improve National capabilities.

A National Biodefense strategy to detect and protect the Nation against biological threats requires coordination among Federal agencies, State, local, Tribal, and territorial officials, and representatives from the private sector. DHS is working internally and in coordination with key stakeholders to develop an approach that can effectively and systematically address detection, preparedness, and response to biological threats.

QUESTIONS SUBMITTED BY HONORABLE MIKE ROGERS OF ALABAMA FOR JANET NAPOLITANO, SECRETARY, DEPARTMENT OF HOMELAND SECURITY

Question 1. Strategic planning is key when proposing any budget. We must be certain that our homeland security dollars are being spent wisely, with adequate attention not only to the Office of Health Affairs immediate goals, but to those of the entire Department and the Nation. With that in mind:

When can we expect a strategic plan from the Office of Health Affairs?

What are the specific goals of that strategic plan?

How do these goals reflect the work currently on-going within the three OHA divisions (Weapons of Mass Destruction & Biodefense, Medical Readiness, and Component Services)?

What are the primary tasks each of your employees will deliver on in the coming year?

How do these break down into monthly deliverables and 90-day deliverables?

I would like a list of the deliverables for each main division and each office within each division for these time periods.

Has the Science and Technology Directorate reviewed the draft strategic plan, and what were their comments?

Have OHA staff been afforded the opportunity to provide anonymous input and feedback on the plan? Please provide a written copy of this feedback.

Answer. I agree that strategic planning is essential when developing a budget request. It is for this reason that I directed the Deputy Secretary to conduct a bottom-up review of the Department’s activities, to ensure that future budget requests align to National priorities.

The Office of Health Affairs (OHA) is finalizing a Strategic Framework the week of April 5, 2010. The Framework will outline goals and strategic objectives for fulfilling OHA’s responsibilities in support of my priorities, the DHS mission, and in alignment of the Quadrennial Homeland Security Review (QHSR). We will provide you with a copy of the framework when it is complete. On April 6, 2010 all the employees of OHA will gather for an “All Hands” meeting to discuss the new Framework and their path forward.

OHA’s updated milestones and measures will be included in the *Fiscal Year 2011–2015 Future Years Homeland Security Program* report to Congress.

Question 2. As important as the strategic plan itself are the people who draft and carry out that plan.

What are the qualifications of senior leadership within OHA? Please demonstrate that your top-level management meets these qualifications.

What is the position description and qualifications required for the Director of the Food, Agriculture, and Veterinary Defense Division?

Answer. OHA senior leadership consists of a Chief Medical Officer (CMO) and Assistant Secretary, Deputy CMO/Principal Deputy Assistant Secretary, an Associate Chief Medical Officer for Medical Readiness, an Associate Chief Medical Officer for Component Services and a Deputy Assistant Secretary for WMD Biodefense. The qualifications of the individuals holding those positions are listed below.

- *CMO/Asst. Sec.*—Senate-confirmed position, qualifications public record. MD, MPH, 13 years as a practicing physician and medical educator.
- *DCMO/PDAS*.—Vacant.
- *ACMO Medical Readiness*.—MD, 17 years experience in emergency medicine.
- *ACMO Component Services*.—MD, MPH, EMS Fellowship, 18 years emergency medical experience.

- *DAS WMD-Biodefense*.—Career SES, 20 years military experience in operational, finance, and policy-making roles; 7 years at DHS in Executive positions. The qualifications required of the Director of the Food, Agriculture, and Veterinary Defense Division include, but are not limited to:
- Doctor of Veterinary Medicine required; a Master of Public Health or Master of Science in Epidemiology, or similar Master's degree in a relevant health sciences discipline is preferred.
- Demonstrated ability to serve as an expert and advisor on incidences of animal and food-borne disease conditions, as well as the public health impacts of zoonotic and infectious diseases.
- Knowledge of veterinary and/or public health emergency management and operations.
- Ability to lead and manage the agricultural security and food defense activities within the division, OHA, and DHS.
- Demonstrated skill to plan, organize, and recommend implementation of a National level animal disease program and food defense program which results in substantial favorable consequences.
- Ability to lead the development of strategies and recommendation and the implementation of operational plans that will promote improvement in safety of animal agriculture, reduction in animal disease risk, and prevention of food-borne illnesses.
- Demonstrated skill in effective and clear communications to senior-level Government and private sector officials on a variety of policy, programmatic, and scientific information.
- Skill in building consensus among internal and external stakeholders and in obtaining and maintaining cooperation and support to resolve policy and program issues.
- Ability to communicate technical information in a non-technical environment.

Question 3. I understand that Dr. Jon Krohmer, Principal Deputy Assistant Secretary (PDAS) and Deputy Chief Medical Officer (CMO), has been detailed to work on health matters for Immigration and Customs Enforcement. I would like to request the document showing the line of succession for the position of Assistant Secretary for Health Affairs/CMO. My understanding is that it is the PDAS who is in charge in the absence of the Assistant Secretary/CMO. Statutorily, the Chief Medical Officer is required to be a medical doctor, and it would therefore follow that the PDAS/CMO would also be. In Dr. Krohmer's absence, then, do you have a medical doctor as the Acting PDAS/CMO?

Answer. Per the Post-Katrina Emergency Management Reform Act of 2006, the Chief Medical Officer (CMO) "shall possess a demonstrated ability in and knowledge of medicine and public health." The statute does not require the individual appointed as Chief Medical Officer to be a medical doctor. Any individual that meets the qualification standard set forth in 6 U.S.C. 321e(b) would be qualified to be appointed by the President to the position of CMO, subject to the advice and consent of the U.S. Senate.

Dr. Garza, as CMO and Assistant Secretary of Health Affairs, possesses both an M.D. and a Masters in Public Health (M.P.H). The position of Principal Deputy Assistant Secretary (PDAS) and Deputy Chief Medical Officer (DCMO) is vacant at this time. At this time, there is no Acting PDAS/DCMO. The duties of this position are currently being fulfilled by others in senior OHA management.

The line of succession for the Office of Health Affairs is depicted in the table below.

Office of Health Affairs	Career Status
Assistant Secretary and Chief Medical Officer	Presidential Appointee with Senate Confirmation.
Principal Deputy Assistant Secretary and Deputy Chief Medical Officer.	Career.
Director of Operations	Career.
Chief of Staff	Non-Career SES or Schedule C.
Associate Chief Medical Officer, Medical Readiness.	Scientific Professional.
Associate Chief Medical Officer, Component Services.	Career.
Deputy Assistant Secretary for Weapons of Mass Destruction and Biodefense.	Career.

Question 4. Last fall, DHS published proposed guidance for first responder preparedness and response to a widespread anthrax attack. I submitted public comments at that time, and I again commend OHA for taking this important step and for giving State and local officials needed guidance.

When do you plan to publish the final guidance?

What will your guidance recommend with regard to the anthrax vaccine in the Strategic National Stockpile—in terms of placement on an approved equipment list to facilitate State access, and in terms of dealing with expiring vaccine?

Answer. Representative Rogers, thank you for your commendation. An inter-agency working group produced the guidance for first responder preparedness and response to a widespread anthrax attack. During the public comment period, approximately 300 comments were received. The DHS Office of Health Affairs (OHA) is leading the adjudication process and the guidance document is currently under review by our Federal interagency partners.

The guidance recommends pre-event vaccination for high-risk responder groups. However, the guidance does not make any recommendations regarding expiring vaccines contained in the Strategic National Stockpile (SNS). Though the guidance does not address expiring vaccine, there are on-going discussions as to how to best manage the expiring vaccine in the SNS, including the option of making expiring vaccine available to responder organizations considered to be in the high-risk categories on a volunteer basis.

Facilitating State access to Anthrax Vaccine Adsorbed (AVA) vaccine by including it on FEMA's Approved Equipment List (AEL) has been a priority for OHA. We have been working closely with the Interagency Board (IAB), an organization sponsored by the Federal Government that serves as an independent and unbiased expert panel to make recommendations related to standardization and appropriate deployment of technologies to first responders. We hope to gain the support of the IAB to include AVA on the Standardized Equipment List (SEL), from which FEMA bases the AEL. OHA will continue to work with the IAB and FEMA to ensure our Nation's first responders are protected from and prepared to respond to biological threats.

Question 5a. The Weapons of Mass Destruction (WMD) Commission just released a report card that flunked the administration in several areas of WMD preparedness.

How is your budget reflective of the WMD Commission's recommendations to enhance laboratory biosecurity and other biopreparedness needs, in particular those areas deemed insufficient by the latest report card?

Answer. DHS takes the Prevention of WMD Proliferation and Terrorism Report Card produced by the Graham-Talent Commission on the Prevention of Weapons of Mass Destruction, Proliferation and Terrorism seriously and sees great value in the Commission's work. The Obama administration has taken steps to enhance the Nation's capabilities. After this Report was published, Assistant Secretary of the Office of Health Affairs (OHA) Dr. Garza met with the Executive Director of the WMD Commission to discuss OHA's related efforts and to build a relationship that will allow DHS to use the report card as a catalyst for continuing to improve National capabilities.

The National Biosurveillance Integration Center (NBIC) was authorized in 2007 to enhance the capacity of the Federal Government to rapidly identify, characterize, localize, and track biological events of National concern through integration and analysis of data relating to human health, as well as animal, plant, food, and environmental monitoring systems (both National and international). Since it was initiated, NBIC has provided critical biosurveillance information on a number of incidents including the 2009 Salmonella St. Paul event and the 2009-H1N1 pandemic.

NBIC works to identify biological incidents early and alerts senior leaders of emerging threats against the population. It is critical that the Nation has the ability to recognize and track biological events early to prevent or mitigate associated consequences.

Question 5b. In what ways does your budget support the need for enhanced guidance for emergency planning and citizen engagement, specifically in terms of the Federal Emergency Management Agency's request?

Answer. The report card recommends that we "work with a consortium of State and local governments to improve preparedness in the event of a WMD attack" and highlights our efforts relating to Comprehensive Preparedness Guide 101. It goes on to recommend working with citizens, private sector, and non-governmental organizations to improve guidance and preparedness.

While a number of the items in the fiscal year 2011 budget will advance this effort, two in particular will make targeted advances to address this recommendation. The Technical Assistance Program provides needed support to State and local governments to implement a variety of preparedness programs across the continuum

of homeland security. The lessons learned from the program, along with the materials developed in support of the program, serve as the foundational materials for the enhancement of the Comprehensive Preparedness Guides as well as public education materials in support of Community Preparedness. This will include a joint effort with the private sector community to update the existing planning recommendations issued in 1993, as well as guides addressing the variety of hazards faced by a community.

QUESTIONS SUBMITTED BY HONORABLE MICHAEL T. MCCAUL OF TEXAS FOR JANET NAPOLITANO, SECRETARY, DEPARTMENT OF HOMELAND SECURITY

Question 1a. For fiscal year 2011, Congress provided \$20 million for the Homeland Security Presidential Directive (HSPD)-12 program for fiscal year 2010 to issue new, secure identity cards to Department of Homeland Security employees and contractors to access secure facilities, communications, and data. With the increasing prevalence of our Government computers being infiltrated the HSPD-12 program needs to be deployed as quickly as possible to lock down our computer networks from hackers.

Congress has also directed the Department of Homeland Security, Office of Security, to provide a report on your progress in issuing new identity cards and remaining needs for additional infrastructure and materials needed to complete the project.

Please give us an update on the issuance of the HSPD-12 cards including a timeline on the obligation of the funds and progress on deployment of these secure cards for this fiscal year.

Answer. The Department has made the issuance of the DHS PIV card to DHS employees and contractors a top priority. At the beginning of the DHS PIV card surge deployment, DHS had issued 21,372 as of January 22, 2010. At the end of second quarter of fiscal year 2010 (March 31, 2010), DHS issued an additional 16,738 cards for a cumulative total of 38,110 PIV cards issued. The Office of the Chief Security Officer is working closely with DHS Components to ensure that DHS will have issued 100,000 PIV cards across the components in fiscal year 2010. The Department will issue 250,000 PIV cards by the end of fiscal year 2011 utilizing existing resources.

The following table provides the projected timeline for obligating funds for HSPD-12 cards:

HSPD-12 Card Issuance Procurement Plan	Amount (\$000)	Contract Awarded
U.S. Treasury Certificate Authority Services ...	\$267	Fiscal year 2010 Q 2
DHS HSPD-12 Core Infrastructure (operations/network costs).	\$159	Fiscal year 2010 Q 2
DHS PIV Card Stock	\$245	Fiscal year 2010 Q 2
NCR Card Issuance, Installation Support, & Enterprise Training.	\$1,330	Fiscal year 2010 Q 2
GPO Security Printing of DHS PIV Cards	\$1,770	Fiscal year 2010 Q 3
Enrollment/Card Issuance Workstations and Consumables.	\$3,765	Fiscal year 2010 Q 3
Card Issuance Contract Labor and Deployment Support.	\$10,385	Fiscal year 2010 Q 3
Internet-based Appointment Scheduling Tool ..	\$145	Fiscal year 2010 Q 4
PKI Certificates and CIWS Interfaces	\$1,909	Fiscal year 2010 Q 4
Reserved for contract overages or miscellaneous expenses.	\$25	
Total IMD Costs	\$20,000	

Question 1b. What are you requesting for fiscal year 2011 for HSPD-12 deployment?

Answer. The Office of Security fiscal year 2011 budget request does not include funding for HSPD-12 Deployment. The Department expects to obligate fiscal year 2010 funds for contracts in the third quarter that will carry the Department's efforts into fiscal year 2011. The Department is working with components to identify funding, such as component base funding for legacy badging systems, to meet any other fiscal year 2011 and the out-year requirements. The Department is committed to fulfilling its requirements under HSPD-12 utilizing base resources in fiscal year 2011.

Question 2. During the President's State of the Union message he highlighted "bio-terrorism." But when I read through the supporting document the next day I noticed he was referring to a plan to stockpile medications for a possible bio-attack. There is a Bio-Watch program underway. Are we keeping our focus on this most needed detection system?

Answer. DHS agrees that the BioWatch program is a much-needed system that provides early detection of a biological attack and the Department remains focused on supporting this program. The fiscal year 2011 budget request maintains current biodetection capabilities, referred to as the Generation-1 and Generation-2 program, and moves forward with the major acquisition to upgrade systems with autonomous biodetection capabilities, referred to as Generation-3. Significant testing and evaluation is required of all potential autonomous biodetection capabilities to ensure the technology is capable of meeting end user requirements prior to DHS committing to a procurement decision. The updated timeline for the Generation-3 program is reflected by the major milestones below:

- Field Test Program Contract Award (Phase I)—November 12, 2009;
- Field Test Program Task Order 1 Award—February 2, 2010;
- Field Test Program Task Order 2 Award—3rd Quarter fiscal year 2010;
- Completion of Field Testing—2nd Quarter fiscal year 2011;
- Technology Readiness Review—2nd Quarter fiscal year 2011;
- Phase II Contract Award for Low Rate Initial Production (LRIP) and Operational Test & Evaluation (OT&E)—4th Quarter fiscal year 2011 or 1st Quarter fiscal year 2012;
- Conduct OT&E: Start—4th Quarter fiscal year 2012, Finish—3rd Quarter fiscal year 2013;
- Initial Operational Capability (IOC)—3rd Quarter fiscal year 2013;
- Deployment of Gen-3 detectors Nation-wide, fiscal year 2013-fiscal year 2016;
- Completed network fiscal year 2017.

The deployment of an automated biodetection capability may facilitate expanding biomonitoring efforts to indoor locations that are not well-supported by the current technology as well as shortening the detection time following an attack. The Nation's detection capability through the BioWatch program is augmented by coordination of State and local assets through local BioWatch Advisory Committees and Jurisdictional Coordination programs, organization of interagency support on the Federal level and a robust exercise program directed towards notification through response. DHS also leads an interagency effort that produces guidance documents to support State and local responses.

Question 3. It seems to me we need the earliest possible detection system to alert emergency rooms and citizens, and properly deploy countermeasures and vaccines. Is the \$89 million in the proposed budget enough for the full deployment of bio-watch units next year?

Answer. DHS agrees that the BioWatch program is a much-needed system that provides early detection of a biological attack and the Department remains focused on supporting this program. In fiscal year 2011, \$173.5 million is requested to support the BioWatch program. Approximately \$89.5 million will be used to maintain the current National network, establish a more comprehensive quality assurance program, optimize the BioWatch network to maximize probability of detection of an attack, expand the current BioWatch exercise program that includes extensive interaction with Federal, State, and local partners, provide State and local partners better situational awareness with web-based modeling capabilities backed up by a robust reach-back capability to the National laboratories, and work with the interagency on technology evaluations.

Approximately \$84 million will be used to procure and potentially deploy units for a four-city operational field test of the Generation-3 system. If one or both candidates pass current testing, we plan to procure units for deployment into other existing BioWatch jurisdictions. The four-city operational testing phase will evaluate BioWatch systems in a variety of outdoor and indoor environments to ensure the systems operate properly before committing the Government to a large-scale buy.

The final Generation-3 National network will be deployed over a period of 3-4 years after the aforementioned operational test and evaluation in four cities. The Generation-3 schedule is reflected by the major milestones below:

- Phase I Contract Award—November 12, 2009;
- Task Order 1 Award—February 2, 2010;
- Task Order 2 Award—3 Q fiscal year 2010;
- Completion of Field Testing—2 Q fiscal year 2011;
- Technology Readiness Review—2 Q fiscal year 2011;
- Phase II Contract Award for Low Rate Initial Production (LRIP) and Operational Test & Evaluation (OT&E)—1 Q fiscal year 2012.

- OT&E:
 - Start—4 Q fiscal year 2012;
 - Finish—3 Q fiscal year 2013;
- Initial Operational Capability (IOC)—3 Q fiscal year 2013;
- Approval for Full Rate Production (FRP)—3 Q fiscal year 2013;
- Contract Award for FRP—4 Q fiscal year 2013;
- Deployment of Gen-3 detectors Nation-wide, fiscal year 2013–fiscal year 2016;
- Completed network fiscal year 2017.

